Technological University Dublin
ARROW@TU Dublin

Issues Irish Marketing Review

1992-01-01

Irish Marketing Review, compendium vols. 1-5

Unknown

Follow this and additional works at: https://arrow.tudublin.ie/jouimriss

Part of the Marketing Commons

Recommended Citation
Unknown, "Irish Marketing Review, compendium vols. 1-5" (1992). *Issues*. 11.
https://arrow.tudublin.ie/jouimriss/11

This Article is brought to you for free and open access by the Irish Marketing Review at ARROW@TU Dublin. It has been accepted for inclusion in Issues by an authorized administrator of ARROW@TU Dublin. For more information, please contact yvonne.desmond@tudublin.ie, arrow.admin@tudublin.ie, brian.widdis@tudublin.ie.

This work is licensed under a Creative Commons Attribution-Noncommercial-Share Alike 3.0 License

DUBLIN INSTITUTE OF TECHNOLOGY • INSTITIÚID TEICNEOLAÍOCHTA BHAILE ÁTHA CLIATH

IRISH MARKETING REVIEW

An International Journal of Research and Practice

Compendium Volumes 1-5

THE MARKETING INSTITUTE

CONTENTS

IRISH MARKETING REVIEW

Compendium Volumes 1-5

Editor	**Aidan O'Driscoll, College of Marketing and Design, Dublin Institute of Technology**
North American Editor	Ronald S.J. Tuninga, Rutgers University, NJ
Associate Editor	Darach Turley, Dublin City University
Assistant Editor	Joan Keegan, College of Marketing and Design, DIT
Advisory Board	Professor M.J. Baker, University of Strathclyde Professor A.C. Cunningham, University College Dublin Professor G.S. Day, University of Toronto Professor L. Fahey, Boston University Mr. P.R. Flood, College of Marketing and Design, DIT Professor G.R. Foxall, University of Birmingham Mr.J.M. Lepere, Confederation of EC Cigarette Manufacturers Ltd Mr.A.P. McCarthy, Chief Executive, Irish Trade Board Professor H.G. Meissner, University of Dortmund, Germany Professor B. O'Cinneide, University of Limerick Professor J. A. O'Reilly, University of Ulster Professor C. Pinson, INSEAD, France Mr. B.V. Wafer, Irish Science & Technology Agency
Editorial Committee	C. Brugha, N. Deeney, T. Fennell, T. Meenaghan, J. Molony, P.O'Sullivan, E. Rohan, M. Shields, Brian Fynes
Executive Editor	James Wrynn

Subscription enquiries

All subscription enquiries should be addressed to Irish Marketing Review, Red Swan Ltd (Northern Office), 163 Kirkstall Lane, Headingley, Leeds LS6 3EJ. Tel. 0532 754957. Fax 0908 669929. A subscription costs £29.95 (Ireland), and £29.95stg (UK). For overseas rates contact the publisher.

This issue is published by Mercury Publications, 37 Main Street, Donnybrook, Dublin 4. Fax 1 2696705. Irish Marketing Review is published by Red Swan Ltd in association with The Marketing Institute. Members of the Institute receive the journal as a members' service.

Editorial enquiries

Editorial enquiries, manuscripts, books for review should be addressed to the editors at the College of Marketing and Design, Dublin Institute of Technology, Mountjoy Square, Dublin 1. Tel. 1 363000. Fax 1 740505, or School of Business, Camden, Rutgers University, New Jersey 08102. Tel. 609 757 6218.

ISSN 0709-7362

Preface

There have been many requests for this descriptive compendium of Irish Marketing Review. New publishing arrangements and increased periodicity which took place in 1989 gave rise to a certain discontinuity. Its receipt as a membership benefit by members of The Marketing Institute broadened readership significantly.

When Irish Marketing Review was launched in 1986 it set out to provide a forum to assess developments and issues in marketing research and practice. Its initial brief was to do so in an Irish context. However it became apparent quickly that the essentially international nature of marketing and the particular editorial mix of theory and practice espoused in the review meant that IMR acquired a wider international readership and attracted authors and writers from the rest of Europe and North America. Under the steady guidance of its distinguised editorial advisory board, IMR emerged as a useful player in the league of internationally minded journals.

This issue of Irish Marketing Review provides a cumulative index of the 73 articles published in volumes 1-5 and carries executive abstracts or summaries of these articles under various headings of marketing interest. It also republishes the article which won the *MII* award for a scholarly paper contributing to excellence in marketing practice.

It is the role of a journal to examine current issues and development in a discipline or profession - what's happening at the cliff face in terms of ideas and best practice. The editorial in the first issue of Irish Marketing Review, published in spring 1986, observed that "the prevailing paradigm is functional marketing .... but what may now be needed is a new paradigm which transcends the functional and offers a broader corporate level (whole company) framework". It added that IMR hoped to make a (very modest) contribution towards its construction. As can be seen from this compendium a significant number of articles were indeed published in the areas of strategic marketing and planning and marketing organisation in the first number of years.

This holistic view of marketing is now the dominant one. Meanwhile other issues have come to the fore and likewise have been addressed in more recent issues of the journal: customer care and services marketing; international marketing; cooperative marketing and networks. Indeed it is in this lattermost area - understanding buyer-supplier networks and channel relationships - that Philip Kotler currently sees the need for a new paradigm to emerge.

It is perhaps fitting at this juncture to pay tribute to the companies whose sponsorship/ associate membership made possible the publication of the first three volumes of the journal and to acknowledge the foresight of The Marketing Institute in providing the journal to its members and senior students through an associate publishing arrangement with Red Swan, the publisher of Irish Marketing Review. The review's welcome receipt on the part of Institute members indicates a desire to stretch their knowledge of research and practice and an appreciation of the old adage that there is often nothing as practical as a good theory. Most importantly, the development of the journal would not have been possible without the active and continuing support of the College of Marketing and Design, Dublin Institute of Technology, whence it has emanated over the last six years. It is an imaginative partnership of academy, professional body and industry.

Aidan O'Driscoll, Editor

Spring 1992

THE MARKETING INSTITUTE

LEADING • REPRESENTING • EDUCATING • SERVING

Marketing is *the* Career

And the way to set yourself on the path to a successful marketing career is through a combination of study and working experience in a marketing environment.

The Marketing Institute runs a four-year professional qualification, carefully designed in three parts to meet both your needs and those of today's employers.

Foundation Certificate in Marketing
2 years' full- or part-time study.

Professional Diploma in Marketing
1 further year's part-time study.

Graduateship in Marketing
1 further year's study.

Why not find out more about marketing as a career.
Phone today (01) 952355 or Fax (01) 952453 and ask for the Education Department, or write to Luke Brockie at:

The Marketing Institute
South County Business Park
Leopardstown
Dublin 18

Irish Marketing Review
Volume 1 1986

Ireland Incorporated: The Imperative of Leadership towards a Consensus

Cathal M. Brugha, College of Marketing and Design, Dublin Institute of Technology

A review of recent comments on the Irish economy is supplemented by a survey of over thirty top Irish executives to find their priorities for economic development. The conclusion is that the state has not been able to cope with economic problems mainly because of a lack of proper direction from government, which in turn has been unable to give proper leadership because of unreasonable demands of the electorate which are encouraged by a divisive electoral system. The critical issue is that greater understanding of the economic problems and their solution is needed, leading to a consensus.

Thus civil servants will be better able to cope, politicians to direct, and executives to manage. Also, native entrepreneurs will learn to find more secure market niches, and will receive more support and co-operation from the community. The key to developing this consensus is leadership, which will have to come initially from those with the capacity, understanding and freedom to speak without the restraint from being answerable to an electorate. Senior managers must provide this leadership, where necessary using the resources of the academic community to research and evaluate the problems and solutions.

Irish Marketing Review
Volume 2 1987

Political Opinion Polling: Recent Irish Experience

Charles M. Coyle, Irish Marketing Surveys Limited

The 1980s in Ireland have seen four general elections, the emergence of a significant new political party, two contentious referendums, as well as a number of other important political developments. It has been a period of remarkable and, at times dramatic, political activity. It has presented a challenge to political opinion polling. In this article the author traces the growth and increasing acceptance of political polling in the country and discusses the problems imposed by the Irish electoral system of proportional representation. The events prior to and during the life-time of the 24th Dail, which lasted from December 1982 to January 1987, are outlined. The ability of opinion polls to monitor sensitively the changing mood and voting intentions of the electorate during these events is examined. It is concluded that the political opinion polls, by and large, enjoyed substantial success in measuring 'the pulse' of the voting public in this period.

Irish Marketing Review
Volume 2 1987

Law Enforcement Marketing: Perceptions of a Police Force

Peter Bohan, Dublin College of Catering, Dublin Institute of Technology
David Yorke, UMIST

This article examines the role and applicability of marketing in a public service organisation. It is argued that the changing external environment now facing many police agencies requires them to develop a marketing orientation if they are to continue to be effective. Obstacles to achieving this as well as the key factors that impinge on the public 'image' of the police force are discussed.The authors then focus on a major study of the Dublin population's perception of its police force, the Garda Siochana, over a wide range of concerns. The research indicates that in general the Irish police force enjoys a markedly positive image. However a level of dissatisfaction is identified over certain issues and among certain segments of the population, especially youth.

The adoption of the marketing concept and of a bilateral community orientated approach to policing is recommended. This involves encouraging active police involvement in community activities, developing 'internal marketing' to nurture a highly motivated and customer-conscious force as well as gathering and interpreting regular marketing information. As the effectiveness of police operations largely depends on the co-operation and goodwill of the community, the primary task of marketing is seen as maintaining and improving the image of the police.

Irish Marketing Review
Volume 2 1987

Marketing Myopia in Industrial Development

James J. Ward, University College Galway

Has marketing been a motivating and innovative force in the development of the Irish economy? Finding a negative answer the author argues that poor marketing is one of the factors limiting the country's industrial growth. The economy is seen as having a serious structural deficiency in that it lacks a marketing base both in quantity and quality. The author provides an historical overview of marketing in Ireland by examining the various phrases of industrial development and their consequent implications for the nation's marketing expertise.

The protectionist era, prior to the late 1950s, is seen as having left, among other defects, a continuing legacy of poor customer service on the part of Irish firms. The foreign investment phase, during the subsequent twenty years, witnessed a period of rapid export led industrialisation. But this was largely based on foreign multinationals setting up production facilities in Ireland attracted by grants and tax incentives. Such enterprise was not 'stand-alone', as marketing and R & D continued to be carried out overseas by the parent company. Thus there was little impetus to develop a critical core of marketing activity and experience in the country. This factor continues to hamper the recent phase of indigenous entrepreneurship with its various state-supported programmes of the last four or five years to encourage local and national enterprise.

How can this marketing myopia be overcome? The author recommends a new market led approach to industrial growth. Industrial development must have a long-term strategic foundation with a central role for marketing rather than simply a short-term job creation focus. Foreign companies investing in Ireland must be encouraged to place a greater emphasis on integrated operations. The IDA's National Linkage Programme is highlighted as are the likely benefits from group marketing and national training programmes in marketing.

Irish Marketing Review
Volume 4 Number 1 1989

Towards a Global Agrifood Paradigm

Alastair McGuckian, Masstock International

The world's agrifood system is in serious disarray. The most stark manifestation of this statement is in the shelves of the larders and freezers of Europe which are bulging with food surpluses while millions in the Third World die of hunger. The concept of marketing would seem redundant. This situation is unforgivable from a humanitarian viewpoint particularly as it must also be seen as unnecessary. The fact is that the capability to produce the required food already exists. The abundance of the European food industry, though physically represented in butter and milk lakes, is really the visible expression of a surplus capacity to produce food. The problem, if not the tragedy, is that the capability is available in the wrong place.

This capability in itself is a product, but one of immense complexity. It would be naive to believe that the transfer of the latest production technology into the vacuum of a primitive rural society is a viable way to initiate modernisation programmes. The enablement of a successful agrifood system involves many more elements than pure production methodology alone. It requires the inclusion of the entire gamut of peripheral support and downstream activities, the establishment of effective conduits of trade to the marketplace and the existence of smooth supply streams of inputs; together these compose what is referred to as agrifood vectors. These vertically integrated agrifood systems — field-to-retail vectors — ensure continuity of supply at steady prices, facilitate operating efficiencies and encourage technological development and the search for every value-added opportunity.

When Masstock International, an agrifood technology company which operates worldwide, sought to compose the necessary organisation to deliver this comprehensive system, its efforts were not only fraught with the usual difficulties confronted in building up a large business, but the company also had to contend with the wisdom of orthodoxy that the food industry is *segmented vertically* with horizontal expansion and economies of scale of the separate functional entities — retail chains, wholesalers, producers and so on. Despite this, an archetype of the notion of an integrated agrifood vector was set up in Saudi Arabia in the late seventies. Today Masstock's Saudi Arabian herd is the biggest dairy herd in the world with each cow milked yielding 9,000 litres per year, more than twice the average of a dairy rich country such as Ireland. The company produces 60 per cent of the fresh liquid needs of Saudi Arabia, processing the milk into a unique range of products, packing it and distributing to 14,000 shops each morning.

Masstock is developing similar integrated agrifood systems in Africa, the Pacific Basin and Georgia, US. The author argues that technology linked to well-directed enterprise can forge a network of agrifood vectors — vertically integrated supply chains and service relationships. The precise nature of these vectors will differ and there will be many organisations involved. A global network of such vectors could lead to a worldwide agrifood framework or paradigm. This paradigm will assist in putting order on world food markets and ameliorating the imbalance between the developing countries of the southern hemisphere and the developed nations of the northern hemisphere.

Irish Marketing Review
Volume 4 Number 2 1989

An Invitation to Existentialism for the Marketing Executive

Joe Kelly, Concordia University, Canada

The marketing executive as he approaches the 1990s is managing in an era characterised by increasing discontinuity, communications "noise" and a more sensitised search for self-identity. Much of contemporary consumer choice is mandated by the new existential ways which advertising practitioners have consciously and unconsciously built into ads, both electronic and print; copywriters can be seen, in an allegorical sense, to be writing letters to an imaginary existential character. Existentialism, as an executive style and a manner of thinking, is thus of great interest to marketing managers.

The existential executive has a strong preference for a divergent, rather than a convergent, cognitive style. This style is essentially a search for an alternative and a supplement to the analytic approach which is good for problem solving but has little to say about either problem finding or solution implementation. In cognitive terms, the existential executive is trying to turn on his metaphoric, intuitive and analogic processes; this means switching on his right cerebral hemisphere which we have tended to leave in cold storage. What our system is good at (and our business schools best of all) is turning up the left cerebral hemisphere which is good at linear, rational and digital thought.

Studies are evincing increasingly that organisations, markets and communication systems are all a lot more complex than was at first thought. Complex systems differ from simple ones in being "counter-intuitive", i.e. not behaving as one might so expect them. For instance, they can often react to a policy change in the long run in a way opposite to their reaction in the short run. Thus senior managers do not function in a crisp black-and-white, geometrically defined environment. Their actual managerial behaviour is characterised by long hours, fragmented episodes, and oral communication. They develop networks of co-operative relationships using a wide variety of face-to-face methods; they treat each day as a separate event to be lived out, where decision making is prime and moral issues of loyalty are basic.

Such behaviour differs substantially from traditional notions. It has implications for the ways we structure our organisations and foster corporate culture. The top-down "hard box" management style is being replaced by a "soft bubble" approach. Escaping from rigid strategic planning frameworks and formally delineated organisational channels, the leaders of today's successful companies can be described as "monomaniacs with a mission" . Their mission is to succeed; their mania is a challenging new combination of existentialism, entrepreneurship, intuition and disciplined analysis . . . in that order.

Irish Marketing Review
Volume 4 Number 3 1989

Political Marketing: An Ethical Conundrum?

Nicholas O'Shaughnessy, University of Cambridge

In the contemporary United States, the combination of a cycle of constant elections with permissive access to media and funds has revolutionised the nature of democracy. Gone are the old political campaign staples. In their stead we see a conscious strategic marketing approach to elections with co-ordinated use of all media such that American elections are not merely contexts in which marketing occurs: they have actually become a marketplace, in which politicians are sold as products to the voter-consumer. The phenomenon is also migrating to other countries of the world.

It is timely to review the tactics of political marketing and remedy the failure to diagnose the effects of such merchandising on the nature and quality of the political system in the US and elsewhere. For the consequences are indeed alarming — with the traditional vices of politicians much magnified: a preoccupation with short-term expediency, new levels of vindictiveness, extraordinary influence accorded to unrepresentative pressuregroups, a politics moreover that, like the Ritz Hotel, is only theoretically open to all. Such methods make for fragmentation since they emphasise difference not community, and a vacillating voter-led leadership.

It is argued that the US political system is a marketplace arbitered by a marketing dynamic. As a result we are witnessing the demise of parties and their substitution by interest-groups, with legislators independent of party and therefore less subject to its discipline. Politicians appear to be fighting a permanent campaign and becoming less powerful in consequence — indeed a new kind of politician, rich, mediable, but not necessarily competent, is emerging. The alliance of the marketing conception and media technology may be creating a new kind of democracy — a "teledemocracy", with a mediocre populism usurping the traditional concept of democracy as the mediating and deliberative influence of wise and informed legislators.

Not all the consequences are negative, however. Democracy has many hues. Marketing-mediated politics has its locus in the consumer and not the agenda of old political elites, and as such makes for more responsive, if not necessarily, more responsible, government. Moreover, there could be a reaction against the pretensions of political marketing and in favour of "truth" — rather like the return to natural foods or non-boast square deal brands.

Irish Marketing Review
Volume 1 1986

Some Perspectives on the Irish Consumer

Darach Turley, College of Marketing and Design, Dublin Institute of Technology

While Irish market research houses are currently engaged in numerous projects to ascertain consumption patterns for a wide range of products and services, there is a notable absence in marketing literature of material which might afford a more comprehensive portrait of the Irish consumer precisely as Irish. In an attempt to fill out such a profile, a substantial range of recent sociological surveys are examined with a view to abstracting data which might complement the marketer's understanding of the Irish in a number of consumption related areas. These include lifestyle aspirations of the Irish, variations in husband/wife family roles, suggestions for segmenting the youth sub-culture, and levels of national pride in the Republic. There is also a generalised profile of the Irish as currently portrayed in these surveys and the suitability of applying 'cohort' analysis in strategic planning for Irish markets is examined. Overall, the data under consideration point to the validity of viewing the Irish as a distinct group of consumers with identifiable national traits.

Irish Marketing Review
Volume 1 1986

Benefit Seeking in Home Computer Adoption

Kjell Gronhaug, Norwegian School of Economics and Business Administration
Alladi Venkatesh, University of California
Nicholas Vitalari, University of California

Products and services are sought and bought because of the benefits they confer on the consumer. Some products and services, in particular those perceived as complex, are associated with a variety of benefits. The various benefits may be emphasised differently across consumer segments. This knowledge about the benefits appreciated by various consumer segments is useful for the tailoring of marketing strategies.

In this paper the authors describe a study of home computer owners which attempted to explore the benefits sought by home computer adopters and to profile benefit segments. It was found that benefits sought at the time of purchase differed from those sought after purchase and at the time of use. It confirmed that the benefit seeking behaviour of the consumer varies structurally when the product is complex or unfamiliar, as in the case of a home computer. More specifically, the analysis identified two spheres of activities and therefore two distinct benefit segments labelled "private sphere" and "business use". The marketing implications of these considerations are discussed. The conclusion is that the notion of benefit segmentation remains a powerful, if not yet fully explored, concept in marketing.

Irish Marketing Review
Volume 1 1986

A Low-Involvement Choice Model for Consumer Panel Data

Cathal M. Brugha and Darach Turley, College of Marketing and Design, Dublin Institute of Technology

The long overdue surge of interest in consumer behaviour texts in low-involvement purchasing has only begun to gather momentum. It often takes the form of asking whether concepts usually associated with high-involvement purchasing can be applied, albeit in a modified form, to low-involvement purchasing. One such concept is evoked set, that is the range of brands deemed acceptable by a consumer in a particular product area. This has characteristically been associated with consumption involving extensive pre-purchase search and evaluation. The consumer's evoked set is thus the brands

he would actually consider purchasing in advance of the purchase event. However, when it comes to regularly purchased, low cost, non-durable low-involvement goods, can this evoked set concept be utilised?

The authors propose a new measure to gauge brand loyalties of respondents on consumer panels. It draws on the supposition that evoked set may be applied on panels. The measure also strives to incorporate desirable modelling features in being micro-based, unidimensional, and simple. Indications are given of how the measure might be further utilised to examine brand performance at the macro level and to predict market share.

Irish Marketing Review
Volume 2 1987

Analysis of the Effects of Special Retail Promotions in a Consumer Perspective

Bo Wickstrom, University of Gothenburg, Sweden

In many product categories in Sweden more than half of the sales are now made at promotional prices or under special deals drawing the consumer into new purchasing patterns. This article examines the vertical distribution system in Sweden for consumer products and the prevalent cooperation between producers, wholesalers and retailers in the form of price offers and special promotions for food and related articles. Alternative effect measures for the different parties are discussed.

There is a systematic treatment of the effects seen from the producer's perpective, appearing at different levels in the marketing channel and following the usual effect hierarchy. The analysis is then extended with regard to the consumer effects and it is suggested that these can be divided into quantity effects, product transfer effects, brand transfer effects, timing effects and patronage effects. It is proposed that regularity in the consumption of a product group, a product, or a brand, will determine what types of effects will result from a special promotion. The use of 'low-involvement theory' and the concept of 'situational variables' are also discussed as suitable frameworks when measuring the effects of special promotions.

Irish Marketing Review
Volume 2 1987

Preference Modelling: Conjoint Analysis and Multi-Attribute Models

John W. Walsh, Cornell University
Patrick Roe, College of Marketing and Design, Dublin Institute of Technology

While many multi-variate techniques have been applied frequently in Ireland, academics and practitioners alike have tended to shy away from incorporating conjoint analysis in their research. Conjoint analysis has been used extensively in other countries primarily to estimate consumers' preferences for products whereas a less complex, easily applied technique, compositional multi-attribute modelling, has been used in Ireland for the same task. This study sets out to compare the powers of estimation or prediction of preference of both techniques. Unresolved areas in preference modelling, namely attribute order bias, learning effects and hetrogeneity of preference structures, are addressed in an attempt to clarify the application and interpretation of both techniques under study. The analysis contradicts assumptions generally accepted and previous research work in relation to these areas. However, conjoint analysis is found to predict more accurately than compositional multi-attribute models. Those contemplating the application of either are advised not to always view them as interchangeable.

Irish Marketing Review
Volume 3 1988

Perceived Social Class Appeals of Branded Goods

Kjell Gronhaug, University of Illinois
Paul S. Trapp, Valparaiso University

Social class is assumed to be a crucial determinant in consumer behaviour. This conviction continues to surface in marketing literature despite the disparate social class measures which obtain on both sides of the Atlantic. Most previous research has focused on purchase and consumption behaviour across social class segments at the generic product class level. This article attempts to shift this emphasis somewhat by narrowing the focus of attention on to specific brands within the same product class.

A further novel dimension is that perceived rather than actual social class usage is correlated with individual brand purchase. Such a perspective stems from the conviction that consumers' perception of the classes they imagine would purchase a particular brand is as important from a marketing viewpoint as the social classes who actually purchase it. The authors' research demonstrates that consumers do associate brands of products and services with specific social classes. This perceived association between branded products and social class segments may have important managerial implications in areas such as product positioning and designing marketing communications and distribution strategies.

Irish Marketing Review
Volume 3 1988

Determinants of Customer Satisfaction among Luxury Car Buyers: An Empirical Analysis

A. Diamantopoulos, A. C. Tynan and R. Hughes, University of Edinburgh

This paper investigates the concept of consumer satisfaction/dissatisfaction in the context of the luxury car market. In particular, an attempt is made to (a) estimate the extent of customer satisfaction among new car purchasers of a particular make of luxury car, and (b) identify the factors impinging upon the level of satisfaction experienced. Four sets of factors are examined, relating to pre- and post-purchase influences, the buying experience itself, and customer characteristics. Following a description of the incidence, level and variability of satisfaction among the population of interest, customer satisfaction is related to the four sets of factors described above, in an attempt to identify the latter's relative impact on satisfaction. The results are analysed in the context of previous evidence on customer satisfaction, with particular emphasis being placed on their managerial implications. Finally, a number of suggestions are made regarding the directions of future research.

Irish Marketing Review
Volume 4 Number 1 1989

The Time Dimension in Marketing

Gabriele Morello, Free University of Amsterdam

Saint Augustine is often quoted as having said that he knew what time was until he was asked to describe it. Time does have an ethereal quality. We are surrounded by it, we live in it; our radios, watches, and diaries remind us of its relentless progress. Marketing is no exception. As a discipline it is laden with time-related terminology. "Product lifecycle", "deadlines", "strategic plan", "early adopters" ,"just in time"— all are concepts presupposing some understanding of what time means, yet we rarely pause to articulate this understanding much less to probe whether there might be different nuances within it. We live in both time and space yet time seems to be more intrinsically dynamic and elusive; a "familiar stranger".

This article suggests that time has two broad meanings and that both are used in a marketing context without the difference between them being adverted to. The first and perhaps most commonplace meaning of time is Natural Time. This is what we usually refer to as "clock time". It is chronological, objective, and mechanically measurable and divisible. This is the time of the appointments diary, the marketing plan, the time sheet. It is the time "outside" us to which we must submit and conform. In the Western Judeo-Christian world this natural time is seen as linear — a straight and never ending train track which we join at birth and step off at death. In the Orient, however, this natural time is seen as cyclic or spiral. Events in history, just like the seasons, return full circle; as one Chinese dynasty expires another emerges.

The second meaning to time is the Social Psychological one. This refers to the way we experience time subjectively, our personal time, and our attitudes to the temporal dimensions - past, present, and future. This second meaning is exemplified in such expressions as "It's time the salesforce got together", "I'm having a rough time", "I'll do that in my own time". Social Psychological time has to do with our ways of dealing with time as we live it. When our approach is positive we grow old well without any personality deterioration; when it is negative, senile neuroses may arise and the quality of life diminishes.

Both views of time, natural and social psychological obtain in marketing discourse. Any marketing strategy will have to consider a natural time horizon — whether to have a short, medium, or long run for example. New products must be launched at the right time. Synchronisation in time between all the factors in the marketing mix is vital for consumer acceptance. Even pricing policy is determined against the backdrop of natural time as instanced in the choice of a rapid or slow skimming policy.

This article then cites three areas of research undertaken to illustrate the relevance of Social Psychological time to marketing. Specifically it focusses on the attitudes to time expressed by groups of different nationalities, ages, and occupations. In the first research project Italian, Dutch, Finnish, Turkish, and Russian students and managers were tested on their time perspectives. Clear differences were found in the way different nationality groups felt about past, present and future. The second novel project involved a sample of Italian consumers who were asked to allocate the island of Sicily and Sicilian wines the time dimension they associated with both. The intention was to position Sicilian wines against competitive brands and to determine whether there were any social psychological time overtones to the description "made in Sicily" on a wine label. The third and last piece of research involved a group of over sixties in the United States where a positive correlation was found between their time orientation and their psychological well being.

Irish Marketing Review
Volume 5 Number 1 1990/91

Country of Origin: Influence of Purchasing Experience and Social Linkages upon Cross-Cultural Stereotyping

Frank Renwick, University College of Cape Breton
Rebecca M. Renwick, University of Toronto

There is a substantial body of literature dealing with country of origin stereotyping at the consumer level; however few studies exist at the import sourcing levels and none examine the influence of social linkages upon the country of origin stereotyping. This study examines the stereotypes held by 600 importers drawn from a sample frame of importers from Barbados, Bahamas, Haiti, Jamaica and Trinidad. Each interview was conducted with the individual who had the responsibility for sourcing imports for his company. The rationale for collection of data at this level was the gatekeeper function of importers. If the product is not accepted at this level it does not matter what the consumer perceptions are about the product, company or its country of origin.

The research draws from a theoretical base which includes the principles of stereotyping, knowledge and interpersonal relationships. The questions which this paper examines are the effects of purchasing experience with a country upon that country's stereotypical image; the effects of social linkages (friendships) with nationals on that country's stereotypical image and an examination of the comparative influence that social linkages and purchasing experience have upon the importers' country of origin stereotypes.

The findings indicate that countries with whose nationals importers have friendships will be those from which they will be most likely to buy. They also indicate that purchasing experience has no significant effect upon that country's stereotypical image and finally that social linkages have a more robust effect upon the country of origin stereotype than purchasing experience. The implications of this research are twofold. For researchers, it suggests that the country of origin stereotypes attribute more to knowledge and/or liking of representatives from a culture than the products from that culture. For marketers, it suggests strategies to improve their international marketing effectiveness in the determination of export target markets, selection of personnel for international postings, international market advertising and communications with international customers.

Irish Marketing Review
Volume 1 1986

Reflections on *The New Competition*: Japan, Marketing and Ireland

John A. Murray, University College Dublin

The article reflects on a new book entitled *The New Competition* by Kotler, Fahey & Jatusripitak in terms of its analysis of Japanese marketing successes, in terms of its implications for our Western concept of marketing in general and in terms of its implications for marketing and the Irish business system. The main contents of the book are reviewed critically and the nature of the proposed Japanese "success formula" is evaluated. This is conceptualised as a product of the interaction of the Japanese sociocultural, government-business, competitive and organisational environments. The strategic "mind-set" that Kotler and his colleagues attribute to Japanese business is explored in some detail. The causes of the comparative under-achievement of Irish business are seen to lie in three areas: cultural, government and managerial. Suggestions are made concerning how Irish readers might take some of the issues covered in the book into account in managing Irish companies and in formulating national industrial development policy.

Irish Marketing Review
Volume 1 1986

A Strategic Approach to the Irish Dairy Processing Industry

Brendan V. Wafer, Chairman, Marketing Institute of Ireland

This paper presents a strategic approach which might be applied to the Irish dairy processing industry. It begins with a wide-ranging examination of the operating environment of the industry. The changes currently taking place in the Common Agricultural Policy price support system are found to be exposing the industry more and more to the competitive rigours of international markets. The seasonality of the industry's milk supply, geographical isolation from major markets, high energy costs, lack of finance and the absence of a coherent marketing strategy are all highlighted. On the positive side there is the perception abroad of Ireland as the "ideal dairyland".

Some theoretical concepts of strategic market planning such as generic competitive strategies and strategic "thought-triggers" are briefly discussed in the context of the industry. A number of case histories of innovative marketing such as Avonmore Fresh Milk and Tipperary Co-op's move into continental cheeses are presented. The paper examines possible future directions for the industry as a whole. A new strategic business definition for the industry is introduced along with options for making it a reality. The question of whether the Irish dairy processing industry should become commodity or added value/consumer product dependent is explored. Finally key success requirements for the industry in the future are outlined.

Irish Marketing Review
Volume 1 1986

Marketing and Competitive Advantage

Liam Fahey, Boston University

This paper examines the nature of competitive advantage and its relevance to marketing strategy. "Competitive advantage" is seen as anything that favourably distinguishes a firm or its product from those of its competitors in the eyes of its customers or end-users. Possible sources of such advantage in terms of company skills and resources in product quality, technical expertise, image, customer orientation and so on are discussed. It is argued that the critical starting point in identifying any competitive advantage is that the company should define its

product(s) and market(s) served. If this is satisfactorily accomplished the firm can then set about positioning itself within this product-market relative to its competitors with a feasible and sustainable competitive advantage.

Managers often err in assuming that a firm's distinctive competences (i.e., what the firm does better than its competitors) are also the firm's competitive advantages (i.e., what favourably distinguishes the firm or its products in the eyes of the customers). To convert a distinctive competence into a competitive advantage requires the firm to adopt an external or customer perspective rather than an internal perspective; in other words, it must ascertain that a distinctive competence or an internally perceived company strength is in fact important to current or potential customers. The author proposes a twofold "Inside-Out/Outside-In" approach to clarify this distinction. Finally problems of assessing the cost of a competitive advantage, of predicting likely competitor reaction or imitation and of sustaining the advantage over time, are briefly addressed.

Irish Marketing Review
Volume 1 1986

A Cross-Sectional Perspective on Marketing Expenditure from PIMS

Charles Carroll, Irish Management Institute

This article poses the problem of establishing valid 'norms' for marketing expenditure within a business. It is postulated that without adequate norms, marketing 'efficiency' cannot be evaluated properly. Also, serious errors in profit planning can result from inappropriate use of financial techniques such as gross contribution ratio analysis. Marketing norms derived from sectoral interfirm comparison are criticised as not being a true peer comparison. The cross-sectional perspective is advanced which argues that marketing norms should reflect the strategic characteristics of business rather than the sectoral characteristics. Evidence is derived from the PIMS (Profit Impact of Market Strategy) data base.

The PIMS 'PAR' marketing model is described briefly and the major strategic factors influencing levels of marketing expenditure are shown. Some implications are drawn for (a) the efficient management of marketing resources, (b) profitability planning and (c) strategic planning. Finally the relevance to Irish indigenous industry is highlighted and some broad based conclusions are advanced. It is argued that many Irish businesses with low market shares in global terms may be forced to pursue certain strategies in penetrating export markets.

Irish Marketing Review
Volume 2 1987

Marketing Planning Systems and the Human Element

John Martin, Boston University

This article examines the human dimension to marketing planning. A systematic approach to marketing planning is often unsuccessful in improving company performance because it fails to properly take into account the people and personalities that must formulate and implement such plans. The plans themselves may be analytically sound but the planning system is poorly managed. The author investigates the background to this imbalance and argues that the formula for efficient and effective marketing planning involves both analytical processes and human factors. E = (Analytical, Human).

Dioplan is a behavioural model developed by the author to diagnose and 'audit' the human side of planning in marketing. This model has been tested in the empirical setting of 83 US companies and incorporates a large range of organisational and behavioural measures, 'context conditions', into an effective planning process. This Dioplan process is illustrated in the context of three companies. It is concluded that human organisational conditions, such as marketing orientation and plan credibility, can contribute to understanding both the behaviour of marketing personnel in the planning process and the performance of marketing plans such as goal achievement. Marketing managers are exhorted to use participation in the planning process to build communications and understanding, thereby enhancing perceptions of plan credibility and commitment.

Irish Marketing Review
Volume 2 1987

A Surrogate Cash Flow Model of Marketing Strategy

Timothy F. Barrett, The Queen's University of Belfast

Marketing expenditure is in the nature of a multi-period investment decision in which the investment flows are deliberately manipulated each period to outperform adaptive competitors. Such discretionary expenditures cannot be forecast with any degree of certainty at the point in time when the initial decision with regard to product introduction is undertaken. As such the normative financial approach to investment appraisal is severely limited in its application to marketing decisions. This argument is supported by survey findings which establish that the normative financial approach is not utilized in the area of marketing decisions. If accounting as a discipline seeks to provide information which is relevant to users, then it is necessary to establish the decision models which are in fact utilized when making strategic marketing decisions.

One such model, the business or product portfolio model, is identified and explained. An analysis of this model reveals that it is a surrogate cash flow model, utilizing external market based information to forecast future cash flow potential and to infer current cash flows. It is suggested that the information needs of marketing management may be better satisfied by explicit accounting information on the utilization of financial resources by individual products, while accepting that changes in relative market share may be a lead indicator of future financial generation capability. Marketing strategy is therefore viewed as relating to the allocation of currently available financial resources so as to gain future potential financial resources. A model encompassing these two variables is developed and consideration as to its utilization by marketing strategists is provided. It is emphasised that the model is dynamic in nature and should be run each period thus incorporating the results of previous decisions and the reactions of competitors and purchasers to the prior decisions.

Irish Marketing Review
Volume 3 1988

Industrial Strategy and the National Industrial Portfolio

John A. Murray, Trinity College Dublin
Paul P. MacGabhann, University College Dublin
Joseph R. D'Cruz, University of Toronto

Portfolio analysis is a well established and important technique of strategic marketing. This paper explores the application of portfolio analysis methodology to the diagnosis of national industrial structure and its related strategic challenges. A country, much like a large diversified company, may be viewed as consisting of a portfolio of companies clustered into industry and sectoral groupings.

The paper first considers the various schools of thought in the industrial policy debate and sees portfolio analysis as a methodology which supports the approach of the structuralist school; this school argues for an integrative view of the national economy and all its sectors, guided by a coherent strategic vision. The nature and use of portfolio methods are then discussed as well as their relevance to nation-level application. An analysis of the Irish industrial portfolio is then presented based on trade statistics for the period 1967-1983 and finally some implications are drawn for industrial policy makers and for researchers in the strategy field. A strategic approach to managing industrial structure is seen as a vital link in building a bridge from the emerging goal consensus among the various 'social partners' in the community, to the evolving set of individual policy interventions, administered through many different agencies with impact on specific industries and firms.

Irish Marketing Review
Volume 3 1988

Company Turnaround Strategies: A Context for Marketing

James Wrynn and Timothy O' Mahony, College of Marketing and Design, Dublin Institute of Technology

This article considers the literature on corporate turnaround. It examines the nature of decline as well as the causes and the various indicators of decline. Following this, Hofer's now well-established framework of analysis for the development of a turnaround strategy is described. This analysis falls into two stages: firstly, an assessment of current operational and strategic health of a firm and secondly, a consideration of turnaround options which may incorporate strategic and/or operational change. This model is then assessed in the context of a number of Irish firms in a turnaround situation. Important issues in turnaround strategy, such as management change, financial re-structuring and strategic realignment are addressed. In particular, the role and importance (and indeed, sometimes the unimportance) of marketing in strategic realignment are considered.

Irish Marketing Review
Volume 3 1988

Turnaround: The Case of Great Southern Hotels

Eamonn McKeon, Great Southern Hotels

This article describes the turnaround achieved in recent years by Great Southern Hotels, the state owned hotel group in Ireland. By 1982 following a series of circumstances the company had accumulated losses of almost £11 million and was unable to meet its current liabilities. The parlous state of the group's finances was finally tackled by the Government, as ultimate shareholder, and a number of options including winding-up, were considered.

The initial financial and organisational restructuring is outlined and the author then details the operational and strategic actions pursued in turnaround: increasing revenue, reducing costs, restoring standards of service, physical refurbishment and new marketing direction. Of particular interest is the shift in dependency achieved by Great Southern Hotels away from the volatile US market towards the home holiday and commercial market.

Irish Marketing Review
Volume 4 Number 2 1989

Timing Market Entry: A Key to Competitive Success

Mary Lambkin, University College Dublin

Research from a wide range of industries has shown that the first firms to develop new product-markets, known as market pioneers, tend to enjoy a long-term competitive advantage over later entrants, reflected in a higher level of

market share and profitability. What is not well understood, however, is whether there is much variation in the performance experiences of later market entrants; in other words, is it better to be an early follower of the pioneer in a still-growing market than to be a late entrant into a mature market?

This study sets out to address this question using two samples of businesses from the PIMS (Profit Impact of Market Strategies) database. One sample contained 129 start-up businesses which had been in operation for four years while the other contained 187 "adolescent" businesses which were approximately eight years old. The businesses in these samples were divided into three timing-of-entry categories, namely, pioneers, early followers and late entrants, and these were compared on several dimensions of competitive strategy and performance using analysis of variance techniques.

The results show that there are substantial differences both within and between categories in their competitive strategies and performance. From the point of view of later entrants, the evidence suggests that it is better to be early rather than late into a new market although the effects of timing are moderated by the choice of competitive strategy. In particular, it appears that the most successful early followers are those which manage to "leap frog" the market by entering on a larger scale than incumbent firms and by offering a superior product.

These findings clearly have implications for management decision making. At a general level, they highlight the importance of timing as a variable which needs to be actively considered in making market entry decisions while, more specifically, they offer guidelines for managers faced with particular timing options. For instance, for those who are fortunate enough to have the opportunity to pioneer new markets they indicate the desirability of following an ambitious strategy from the outset to pre-empt the possibility of later entrants usurping their leadership position.

Irish Marketing Review
Volume 5 Number 1 1990/91

Competitive Analysis in Strategic Marketing: Specious or Substantive?

Douglas Brownlie, Glasgow Business School
Luiz Moutinho, Cardiff Business School

Marketing has evolved tools for the analysis of customers and competitors which in turn contribute to the firm's diagnosis and prognosis of its strategic position. However, it may be argued that there has been considerably more development within the marketing discipline in the concepts and methodologies for the analysis of customers than competitors. Progress on demand side issues has outweighed that on the supply side. There are, in brief, shortcomings in marketing's approaches to the analysis of competition.

A customer orientation has evolved at the expense of a competitor orientation. A customer orientation views market rivalry solely as a battle for final customers that is won by appeals directly to these customers whereas a competitor orientation, in contrast, regards customers as mainly ultimate prizes to be won by strong distribution arrangements, effective executives, preferential treatment by suppliers, total quality management and so on. In the context of formulating marketing strategy a strategic view of competition is required and the underlying competitive analysis must embrace both demand and supply-side perspectives. To support this view the authors review philosophical, conceptual and methodological developments that are currently taking place in the field of strategic management. These possess the potential to enrich the understanding of competitive analysis and competitive advantage within the marketing discipline.

At a philosophical level there is a call for clearer and more creative "strategic thinking" about competitive analysis. There has been an unrewarding emphasis on and deployment of sophisticated complex and at times ponderous strategic planning systems which tend to nip imaginative and creative thinking in the bud and leave the firm the unwitting victim of "paralysis by analysis".

The contribution of Michael Porter and his "five driving forces" model is of crucial significance. In particular his emphasis and focus on *strategic groups* within an industry re-establishes the importance of examining the competitive advantages of participants within an industry from a supply-side perspective. Further, on the methodological side, the application of multivariate analysis techniques, such as cluster analysis, multidimensional scaling, and so on, is now believed to have considerable potential for identifying such strategic groups. Thus strategic group analysis as a concept and a methodology holds much promise for both strategic management and marketing management.

Irish Marketing Review
Volume 5 Number 3 1990/91

A Computer Modelling Approach to Analysing Competitive Reaction

Bruce Curry and Luiz Moutinho, Cardiff Business School

Applications of "conventional" computing techniques to marketing problems are now commonplace. Spreadsheets, databases and other specialised software are to be found in abundance and have proved their worth many times over. The focus of this article, however, is with the newer technologies of artificial intelligence. These include expert systems or knowledge based systems in which the "intelligence" of the computer comprises a set of if . . . then rules.

Expert systems have been applied to logistics, distribution, pricing and international negotiation. The authors here address strategic decision making and competitive reaction. The aim is to produce interactive computer models which incorporate as much "intelligence" as possible so as both to make the user's task as easy as possible and to dig more deeply into the decision-making process. This intelligence or knowledge can be built into a model using a variety of different programming languages and advanced computer techniques. However a crucial question is how to obtain such intelligence in the first place. The authors have therefore sought to ensure that their models have a sound theoretical basis.

But it is also important that the decision maker's own knowledge plays a significant role and that he/she should not view the model as an indecipherable "black box". The final generation of a decision requires the user's subjective judgement. Thus the models provide wide ranging *what if* facilities, bringing them closer to the authors' concept of an "intelligent spreadsheet".

Intelligence is also built into the models using an intelligent front-end — a natural language interface. The competitor firms in the model are assumed to respond to certain stimuli, programmable by the user. These stimuli and responses are found in the "script" or "scenario" for the industry which is based on possible competitive behaviour. The pattern matching and windowing facilities of the Smalltalk/VPM language used in the model pick out the stimuli for each firm from the script and show the user the consequences of this scenario.

Irish Marketing Review
Volume 1 1986

The Shape and Length of the Product Life Cycle

John A. Meenaghan, University College Dublin
P.J.P. O'Sullivan, College of Marketing and Design, Dublin Institute of Technology

This paper argues that the usage of the "time" variable as a convenient explanatory variable on the horizontal axis of the product life cycle graph has diverted attention from a thorough analysis of the factors which influence the shape and length of the PLC. The paper addresses the issues of definition of "product" and "product life" as well as reviewing existing commentary on curve shape as a precursor to examining the relevant issues relating to the PLC shape and length.

Drawing on the body of insight provided by sales forecasting and diffusion theory as well as the standard PLC literature this paper endeavours to present a clearer understanding of the factors which truly explain the PLC shape and length utilising four broad sets of factors, viz., product characteristics, marketing strategies employed, external environmental factors and market-related factors. It contends that the explanation of the PLC shape and length is found not merely in analysing the four broad sets of factors, but perhaps more, importantly in the various interactions between these sets of factors. In doing so, it refutes the notion of the PLC as being time dependent per se and re-emphasises the strategic role of management in affecting changes over the life cycle.

Irish Marketing Review
Volume 1 1986

Anatomy of a Supermarket Price War

Jim Bell and Stephen Brown, University of Ulster

Price wars are among the most dramatic events in the marketing environment and this paper describes a short lived but sensational skirmish that occurred in Northern Ireland in late 1983. The protagonists were Dunnes Stores, an aggressive newcomer to the grocery trade in Northern Ireland, and Stewarts Supermarkets, the long established market leader. Dunnes slashed the price of a wide range of fast moving consumer goods and challenged their principal competitor to respond. Stewarts did so and for the next six weeks an orgy of tit-for-tat price cutting took place. The effects of these events were felt by every member of the channel of grocery distribution. Manufacturers were antagonised by the bout of below cost selling; the grocery trade was severly disrupted; consumers enjoyed a spell of very low prices but suffered from the side effects of overcrowded stores, long check-out queues and the not infrequent stock-outs; and the combatants themselves were exhausted by their exertions. The only real beneficiaries were the media, particularly the Belfast Telegraph, which enjoyed a dramatic increase in advertising revenue as a consequence of the conflict.

Irish Marketing Review
Volume 3 1988

High Visibility - Celebrities, Marketing and Image-Making

John A. Meenaghan, University College Dublin

This article reflects on a new book entitled *High Visibility — the professional guide to celebrity marketing* which examines the celebrity industry and the marketing strategies pursued therein. The celebrity phenomenon is put in context from both the sociological and economic perspective and the 'pygmalion principle' wherein unknown talent is transformed into celebrity is critically examined. The sectors within which celebrities employ marketing principles range from the obvious areas of entertainment and sports to the less obvious areas of the

professions and academia. An industry increasingly sophisticated in its usage of marketing has established itself as a natural adjunct to the emergence of the celebrity. Particular attention is paid to the delivery systems through which the celebrity is placed before the market and the public relations activity concerned with embellishing celebrity image. The question of talent and ability as an ingredient of success is assessed and the peculiarities of people as products are discussed in terms of implications for marketing. As an obvious outgrowth of these issues, the ethics of celebrity marketing are addressed.

Irish Marketing Review
Volume 3 1988

Implementing the Marketing Concept: A Case History of Northern Ireland Electricity

David Carson, University of Ulster
Maurice Kennedy, Northern Ireland Electricity

Northern Ireland Electricity has exhibited many of the symptons of a large bureaucratic public service organisation in its tardy response to changing customer and market needs and in a management approach focused more on adherence to procedure and rule than on effective decision-making. This case study describes the initiation of the marketing concept into NIE's Appliance Marketing Division. The task of developing marketing was not merely to identify market opportunity but also to imbue a whole organisation with a marketing philosophy and to ensure a proactive rather than a reactive role for marketing.

The restructuring of the marketing function is described and the crucial role of a marketing training and development programme is highlighted. An action based learning approach sought to make relevant concepts of marketing to the practice of each manager's work and responsibility. The establishment of a Marketing Training Panel and a Marketing Development Action Group is outlined. Tangible evidence of the success of this new direction is to be found in the division's significantly increased market share, 32 refurbished shops, new logo SHOP ELECTRIC, and increased product range. The authors witness a new professionalism in NIE's marketing personnel.

Irish Marketing Review
Volume 4 Number 1 1989

Marketing Managers and the Management of Marketing

Robert Grafton-Small, University of Strathclyde

Marketing managers are not usually given to self-examination in the manner of, say, personnel managers, and marketing theorists tend to assume rather than demonstrate a consensus about the practice and the role of marketing executives. However, marketing has, on occasion, been considered as an emergent profession and its practitioners as nascent professionals. Accordingly, this research is based on a series of deliberately qualitative techniques, intended to uncover marketing managers' "accounts" of themselves and their various roles whilst avoiding the imposition of a spurious uniformity upon these self-same views. The "accounts" are then used to establish two things: the range and diversity of marketing management as an industrial practice and the extent to which marketing managers may be said to see themselves and each other as being in any way professional in either word or deed.

The marketing managers who make up the survey are drawn from a self-selecting sample, meaning they are taken to be marketing managers if they claim to be in marketing. The sample also extends to a number of industries and backgrounds as well as what was, at the time, a branch of the Institute of

Marketing. Paradoxically, though, these executives tend to undermine the efforts of their own professional body by demonstrating little or no understanding of deviancy in either individual or organisational terms. That marketing managers should be so wide ranging in both type and style is therefore hardly surprising for they are, after all, enjoined to reflect the needs, the constraints and the social circumstances they work under. This being the case, it may well be that the various organisational forms and standings attributed to marketing and to marketing managers are not so much a sign of "nascent professionalism" as a product of the varying definitions of "professional" behaviour and the shifting nature of acceptable consumption within contemporary society.

Irish Marketing Review
Volume 5 Number 1 1990/91

Winning and Losing in Product Innovation: A Case History

Robert Duke, Leeds University

The management of innovation and new product development is one of the most uncertain areas of marketing theory. It is interesting that a function of such widespread and fundamental strategic importance, and an area often requiring sizable long-term investment of company resources without hope of any short-run return, is relatively lacking in the principles and models developed for other areas. It might seem that the process of new product development often relies to an uncomfortable degree on faith, intuition and indeed, luck. This is partly true, but that is not to say that product failures are totally unpredictable. One reason for such failures can be that a preoccupation with the nature and capability of the product itself causes managers to ignore the critical interaction between the customer and the innovative offer, a particular risk with electronic consumer durables. To avoid this error it would be useful if a suitable model of consumer behaviour could be applied in new product decision making.

In *Diffusion of Innovations*, E.M. Rogers puts forward a model that can be adapted to this purpose. He contends that the likelihood that a novel product or idea will be adopted by a population (or indeed, a new product by a market) is dependent upon five factors: *Relative Advantage, Compatibility, Complexity, Divisibility and Communicability.* The case of the video tape recorder (VCR) and the Philips Laservision system provides an excellent object lesson on how this model might be applied to the key decision of whether an innovative idea or prototype is likely to succeed, and indeed, what could be done to increase the chances of speedy and widespread adoption. The case also attests to the veracity of Rogers' model for new product decisions.

The conclusion is that VCR succeeded because its launch into a latent market gave it a high *relative advantage*, because it was *compatible* with pre-existing TV watching behaviour, because its similarity in principle to audio tape recorders, as well as support from rental companies, assured a perception of low *complexity*, because an extremely favourable chain of circumstances quickly gave rise to a large rental market that increased *divisibility*, and because the advantages of VCR ownership were easily *communicated*.

By contrast, Laservision failed because it had a negative *relative advantage* compared to VCR, because it was not *compatible* with the TV recording habit engendered by VCR, because its leading edge technology was seen as relatively *complex*, because, in the absence of a rental market and due to the need for a supply of laser disks, it suffered low *divisibility*, and because its shortcomings were easily *communicated*.

Conventional marketing belief argues that innovative products, no matter how ingenious or revolutionary, will only succeed if they satisfy a market demand better than the incumbent offer. As this case shows, this deceptively simple statement can conceal a wealth of complexity that hinges on precisely what we mean by the word *better*. Even for electronic consumer durables, the question is not merely a technical one: many of the criteria that must be applied deal with intangibles, unrelated to scientific ingenuity or advanced technology, and have more to do with marketing and consumer behaviour.

Irish Marketing Review
Volume 5 Number 3 1990/91

The Managerial Setting of the Product Deletion Decision

Susan Hart, University of Strathclyde

Many studies of product elimination conclude that the effectiveness of such decisions would be improved if they were given greater support from top management and considered as contributing to overall company objectives. It has also been argued that there is no need to develop a specific policy for product elimination as deviant products can be detected through the existing managerial control mechanisms and dealt with accordingly. One of the reasons for this theoretical quandary may reside in the confusion as to the level within companies at which product policy exists.

This article seeks to clarify this issue: firstly, by reviewing the extant literature on product planning and considering how product elimination might, in theory, fit into this activity; and secondly, by reporting the findings of a field study on the managerial setting of the product elimination decision in UK manufacturing companies. These findings are from the first part of a wide-ranging examination of product elimination decision making entitled Project Dropstrat.

Based on this research, the product deletion decision was considered along two domains: the main type of product planning activity employed within the firm, and the managerial locus of the actual product deletion decision. Product planning tended to be of two types. One labelled *systematic review planning* focused on the annual plan or budget and on the objectives and means of achieving it. The other labelled *operational control planning* was more frequent and included activity such as weekly and monthly reviews of a product's performance versus target, cost and price assessments, product development/review committee meetings and so on.

In turn these two approaches to product planning took place within two broad organisational mechanisms or modes, one marketing-based, the other with a broader management focus. Each mode is described and the extent to which product deletion fits into each is examined. Product planning processes, it was found, were not in general geared for product elimination. Control activity rather than annual or systematic review activity triggered rationalisation policy. Deletion decisions appeared to be largely *ad hoc* in many of the firms. Indeed much top level management activity appeared to be absorbed by deliberations on the fate of products that might well have been eliminated *before* reaching the crisis stage. If product elimination processes and structures could be effectively set up and delegated, top management would be more able to concentrate on planning changes to the whole range (new products, replacements, modifications and deletions), effectively resolving problems before they become urgent.

Irish Marketing Review
Volume 1 1986

Women and Advertisements: Reflection, Reality and Response

Stephanie O'Donohoe, I.D.L.

The image of women in advertisements has been well documented, particularly in the United States and Great Britain, in relation to the discrepancy between their roles as portrayed and the contemporary reality of their values and lifestyles. While this may have sociological consequences, it is the response to such portrayals in relation to advertisement attitudes and brand purchase intentions which is of major concern to the advertiser, especially as women become more economically powerful.

Research indicates that one of the most prevalent themes in the portrayal of women in advertisements is that of 'decorative object'. However, it is difficult to generalise about the reaction to any particular portrayal across product categories, as the appropriateness of the context appears to influence role preferences. The study described in this paper sought to identify patterns of response among a specific group women to a specific group of advertisements for personal grooming products, and to examine the relationship between attitudes to the advertisements as a whole, attitudes to the woman within each of these advertisements, and stated beliefs about the role of women in society.

The spontaeous responses obtained to those indicated that the women interviewed were 'advertising literate', aware of how advertisement messages are constructed and actively involved in decoding them. Woman-related comments accounted for less than a fifth of all spontaneous responses, indicating that the portrayal of the women was of interest to respondents but not of paramount importance. Structured response to the advertisements revealed no significant relationships between respondent characteristics and perception of stereotyped portrayals of women in advertising generally or within the specific advertisements chosen for this survey. Neither was there any significant relationship between perception of those stereotypes and the scores given to each advertisement. Therefore, it was concluded that in this context, the extent to which such stereotypes were perceived was in fact a non-issue.

However, women aged twenty-five or over, married women and those who were employed full-time were more likely than respondents in general to comment on the perception of sexual or oppressive overtones in the portrayal of the women within the advertisements. There was some evidence that the perception of such elements reduced the attractiveness of the advertisements in question for respondents. Furthermore, as the female role orientation and general advertising stereotype perception scores for these women did not differ significantly from those of respondents in general, it appears that it is not just "a handful of feminist activists" who noted and resented those images.

Irish Marketing Review
Volume 1 1986

Brand Positioning: A Case History of an Irish Whiskey

Michael W. Cummins, Irish Distillers Sales Company

Since the early 1950s the Irish whiskey share of the total spirits market has been declining steadily. Vodka sales, in particular, had grown dramatically. In the early 1980s the Irish Distillers Group set about halting this trend. The company's three main brands supplied over two-thirds of the Irish whiskey market. The article describes how Irish Distillers segmented the whiskey market, developed and communicated an image or personality for each of the brands and attempted to broaden the appeal of Irish whiskey as a product

category. It focuses, in particular, on one brand, Power's Gold Label, which proved the most elusive and difficult to position.

Power's was the best selling of Irish whiskeys. Yet its product image was the most diffuse. The majority of the brand's drinkers was over 50 years of age. It was largely consumed outside Dublin. Company research confirmed that the brand was generally perceived as long established and traditional with a distinctive flavour. These characteristics alone were not enough to construct a communications platform to broaden its appeal, particularly across a wider age spectrum. The article outlines how the company developed a communication theme and an advertising campaign which integrated the brand's existing qualities of tradition and "earthiness" into a product image which sought to woo a target audience of men and women from their mid-twenties upwards to Power's Gold Label.

Perspectives on the New Advertising

John Fanning, McConnells Advertising

Irish Marketing Review
Volume 2 1987

In this article the practical implications of low-involvement theory on current advertising practice are examined. The areas of practice that have been most effected are market research, agency structure, and the creation of advertisements. Low-involvement advertising theory argues that the consumer passively processes the advertisements, rather than consciously evaluates them. Behaviour which is often triggered by association of the advertisement with the product at the time of purchase precedes attitude change. This theory is particularly relevant to fast moving consumer goods. The practitioner concerned with low-involvement no longer concentrates on bringing the consumer through the traditional hierarchy of effects models of building awareness, comprehension, liking and action. Instead the creative role of advertising is differentiation and entertainment, in the hope of associating the advertisement with the product.

The major implication of low-involvement theory on market research has been the swing away from quantitative techniques, such as recall measures, in assessing advertising effectiveness towards more qualitative approaches, such as group discussions. The key change in the creative function is a move away from a strict unique selling proposition statement to the seeking out of inherent consumer needs and appealing to these in an entertaining manner. Agencies thus require personnel who can determine these needs and who can translate market research data to advise both the account executive and creative personnel. This has led to the evolution of the account planning function in advertising agencies. The author then discusses the type of advertising which has resulted from these developments. He finally cautions against dangers of excess in these new directions and of any blinkered return to the 'old order'.

Children and Television Advertising: A Cognitive Development Perspective

Darach Turley, College of Marketing and Design,
Dublin Institute of Technology
Helen Gallagher, Mars Ireland

Irish Marketing Review
Volume 3 1988

While the population growth rate in Ireland appears at least temporarily to have ground to a halt, the fact remains that this country will have to cherish and cater for a singularly sizeable children's market for the next decade. This article begins with a qualitative examination of Irish advertising houses' views on their respective outputs and target groups. Central to the process of communicating with the children's market is the need to fully appreciate its heterogeneity. Psychologically speaking, the 'children's market' is a misnomer.

To this end, a series of questions are administered to a sample of Dublin children to ascertain whether their responses on advertising related topics reflect their respective developmental levels. The authors contend that successful campaigns targeted at these developmental sub-sections of the children's market are contingent upon an understanding of their stages of cognitive growth. A range of Irish television commercials are then shown to the children to determine which advertisements register the highest recall rates. Content analysis of the advertisements recalled discloses salient features which may be utilised in tailoring advertising content to a particular age group's developmental level. The authors also ask whether children's liking for an advertisement is determined by a liking for the product featured in that advertisement. Finally they attempt to draw some conclusions on how sceptical children are of the claims advanced in television commercials.

Irish Marketing Review
Volume 3 1988

Involved Consumers and Advertising Involvement

Katriona Lawlor, College of Marketing and Design, Dublin Institute of Technology

The question of consumer involvement has at times taken on the appearance of a theoretical quagmire. The proliferation of definitions apart, this confusion has been exacerbated by the failure to distinguish adequately between advertising and consumer involvement. The research outlined in this article attempts to probe the possible relationship between these two discrete entities.

It takes as its starting point Kassarjian's postulate of a generalised trait of purchasing involvement. This novel and as yet untested trait in consumers is cross-tabulated with the levels of advertising involvement exhibited by these same consumers in a series of paint advertisements broadcast on Irish national television. A thought verbalisation methodology is employed to gauge this advertising involvement among members of an Irish countrywide consumer panel. The findings which emerge are as seminal to the applicability of such a thought verbalisation methodology as they are to the relationship between consumer and advertising involvement.

Irish Marketing Review
Volume 3 1988

Designing and Evaluating Cross-National Advertising Strategies for Consumer Products

Nikolaos Papavassiliou, Athens Graduate School of Economics and Business Science

This article identifies a number of external and internal conditions influencing the design and evaluation of cross-national advertising strategies. These conditions vary among countries and thus pose vexing problems for cross-national advertisers. The complexity of the problem is reduced by focusing on two major components: the communication impact and the risk factor.

The communication factor is posited to depend on an optimal selection of advertising messages, media, costs and audience contacts. A typology of cross-national advertising strategies is then presented and eight styles of advertising strategem are considered in different conditions. A further matching of advertising to a firm's level of international orientation is then offered. The risk factor is recognised as essentially subjective and dependent on judgements

about six key influencing variables and on the basis of previous experience of management. Examples of the types of risk and their impact on communication are given. The author then proposes a dynamic stochastic programming model, incorporating communication and risk factors to guide decision-makers in designing cross-national advertising strategies for consumer products. It is hoped that this approach along with suggested frameworks of classification will provide a step forward in research in this area.

Irish Marketing Review
Volume 4 Number 1 1989

Emotional Benefits in Marketing Communication

Peter Weinberg and Andrea Groppel, University of Paderborn

Consumers in developed economies are modifying their definition of what "quality of life" means and altering the importance they attach to various values. There is increasing doubt regarding a solution to economic and social problems, less emphasis on materialism and one's job, desire for a simplified life lived in a more natural fashion with increased leisure time. Successful products and stores must incorporate such values as naturalness, health, leisure, enjoyment, and sensitivity to the environment into their promotional activity. They can best achieve this through emotional benefit strategy: consuming the product, patronising the store, is to be presented as an emotional experience or benefit which will enhance the consumer's quality of life by dovetailing with any one of the values mentioned above.

There are supporting signs that marketing communication should now veer to such an emotional benefit perspective. First, consumers are tiring of overly factual and informative advertisements suggesting a preference for a more pictorial and emotionally pleasing format. Second, increasing brand parity means that more and more products are physically and functionally identical. So, the most successful means of brand differentiation is to stress not what your brand does, but the emotional benefit derived from or associated with consuming it. Crucial to this process is a credible "fit" between one's product and a particular emotional benefit; it is important to select an emotional benefit which is both in vogue and yet distinctive to your brand. *Swatch*, for example, reflects the emotional benefits of youthfulness and individuality in a highly distinctive manner in the watch market.

As with product and advertising design, so also with store design. Shopping in a store is now seen less as a mere procurement of goods and more as an experience to be enjoyed. Zest, fun, ambience, surprise and enjoyment are typical emotional benefits sought on shopping trips. Research has shown that outlets which promote such benefits enjoy larger customer throughput, higher volumes of brand loyalty and greater turnover. This present study chose a sample of 273 female patrons of a ladies' fashion outlet in Germany. They were first divided into "sensualist" and "indolent" segments with respect to their shopping and leisure activities. As hypothesised, the sensualists judged the store with respect to sensory stimulation, emotional impression, the assortment of goods, and the price-service relationship all more favourably than the indolents. They also visited the store more frequently and spent more money and time there.

A further insight was gleaned by examining the areas in the store which were visited. A right hand zone was decorative, colourful, and had an ambience conducive to emotional benefit. The left zone was more bland. Sensualists scored a higher preference for the right zone than the indolents. Yet even among the indolents those who visited the zone oriented towards emotional benefit were in a significantly more cheerful mood than those who did not. In conclusion, the sensualist woman consumer wants more ambience to supplement the assortment of brands. Islands of seats will promote communication in-store between such consumers. Exotic plants could be examples of the experiential surprises sought by these women. Stress reducing features such as rest zones and green plants heighten the emotional experience especially for the indolent. The assortment of brands carried themselves convey such emotional benefits as avant garde, youthfulness and leisure.

Irish Marketing Review
Volume 3 1988

Marketing, Marketing Effort and Customer Loyalty in a Restricted Environment: Irish Retail Banking

John M. Gwin, University of Virginia

This article examines the retail banking scene in Ireland under the shadow of 1992. The completion of the Internal Market will involve deregulation, new market structures and strong international competition. How should Irish banks best prepare? The author starts by charting the upheaval which has taken place in US retail banking since deregulation commenced in the early 1980s and argues that the Irish banking customer is not dramatically different in terms of his needs and expectations from his US counterpart.

The retail banking environment in Ireland is characterised by union restrictions within the Associated Banks, strong regulation by the Central Bank and an innate customer conservatism in regard to credit information. All these factors inhibit market response on the part of the banks and put market share and profits in danger of erosion from competitors who do not face the same limitations. The author assesses the Critical Success Factors that affect retail banking and sets out guidelines for a suitable marketing response from the banking community. Banks are cautioned against new product proliferation. Customer needs should be clearly identified before introducing new product offerings. New technology, particularly at the customer/firm interface, must be carefully considered. Coping with new client expectations and ensuring the crucial dimension of personal contact in the customer/bank relationship will involve a tactical response on many levels. This will imply changing the ways that staff work and the organisation structure of banks.

Irish Marketing Review
Volume 4 Number 2 1989

The Role of Internal Marketing: If the Staff Won't Buy It, Why Should the Customer?

James G. Barnes, Memorial University of Newfoundland

The process of ensuring that the staff of a firm are committed to the goal of ensuring the best possible treatment of customers has been labelled "internal marketing". This concept involves the application of marketing principles to "selling the staff" on their role in providing customer satisfaction. Internal marketing has two primary focuses.-Firstly, it complements the company's external marketing efforts by ensuring that personal interaction between the company and the people it serves is as conducive to attracting and satisfying customers as possible. Secondly, internal marketing is directed at producing and maintaining a motivated and satisfied group of employees, who will support the company's external marketing objectives and work towards ensuring quality, productivity and efficiency. The concept is applicable to all organisations, whether in the private, public or not-for-profit sectors, and regardless of whether a product or service is being marketed.

Management of a firm must be concerned with customer service at three different levels: the core product or service being provided, an array of supplementary services and the interpersonal components of customer service. The differentiation of a company from its competitors comes through the provision of supplementary services, supported by the third dimension of customer service, namely the interpersonal aspects . . . the way the customer is treated. However, the hands-on control of management decreases as one moves from the core product or service to the interpersonal component. That management generally exercises less control over the quality of its customer service at this third level highlights why an internal marketing programme is

so important to the success of overall marketing effort. Of course, accurately "measuring" customer satisfaction and service quality is crucial in this process and a number of new models are being developed usefully in this regard.

If the task of an internal marketing programme is to "sell the staff" on customer service, then such a programme will require a marketing mix approach. The product in the internal marketing mix is a commitment on the part of staff to the idea of total customer service. The distribution component deals with the concept of marketing consciousness and customer commitment is "delivered" to the staff. In the context of price it is useful to think not in terms of monetary price but rather to ask what it costs employers, the target market, to participate. The promotional component involves all aspects of communicating messages concerning the programme to staff.

In truly customer-oriented companies there is an appreciation of the fact that the most important marketing asset of the company is its employees. Such companies must have a marketing-oriented human resources department and many of the responsibilities of that department, including recruitment and training, should have a significant marketing input.

Irish Marketing Review
Volume 4 Number 3 1989

Internal Marketing Strategy: Leverage for Managing Marketing-Led Strategic Change

Nigel Piercy and Neil Morgan, Cardiff Business School

In any business there are two types of customer - internal customers and external customers. Marketing theory and practice have long grappled with plans and strategies to market to the external customer. However, one major barrier to putting such marketing strategies and plans into effect successfully is only now receiving due attention. That barrier is provided by the people, the systems and procedures, the departments, and the managers whose commitment and participation are needed to implement marketing, i.e. the internal customers for marketing plans and strategies.

To cope with this barrier an internal marketing programme is proposed, built around conventional external marketing strategies and aimed at the internal marketplace made up of these internal customers. The sources of this approach lie in the problems experienced by managers in achieving the implementation of their marketing strategies; these stem from the largely unavoidable fact that marketing strategies imply organisational change. It is argued that it is the management of this change process which lies at the centre of success in implementing plans and strategies.

This change process might include: winning the support of key decision makers for plans; changing the attitudes and behaviour of employees and managers who work at the crucial interfaces with buyers and distributors; gaining commitment to making the marketing plan work and "ownership" of the key problem-solving tasks from those units and individuals in the firm, whose working support is needed; and ultimately managing incremental changes in the culture from "the way we always do things" to "the way we need to do things to be successful".

The article describes first a framework for planning marketing implementation strategies, which is readily accessible and has proved conceptually and politically acceptable to marketing executives. Secondly, it describes this framework in the context of a number of illustrative case histories and of empirical survey data relating to the practice of internal marketing in UK firms, leading to an agenda for both practitioners and researchers concerned with these issues.

Irish Marketing Review
Volume 4 Number 3 1989

Customer Care: The Neglected Domain

David Carson, University of Ulster
Audrey Gilmore, Northern Ireland Electricity

Management is recognising increasingly that the role of marketing is not only to create a customer, but also to initiate and develop a relationship with that customer from the first stage of contact and often across a series of different transactions. It is acknowledged that customer relationships have become marketing *assets* to be cultivated and sustained. Customer care activities focus on every stage of the exchange process, from design and production through to delivery and service back-up. There are a number of major factors which have influenced this current emphasis on customer care and many parameters of the term "customer care" are being redefined currently. A model of customer care is set out which analyses the dimensions or elements of the process. These fall broadly into two categories: so-called instrumental or quantitative factors and psychological or qualitative factors. The former includes the "hard" tangible and relatively easy to measure dimensions such as packaging, speed of delivery, technical support and so on. The latter covers the "soft" intangible and more difficult to evaluate factors such as degree of courtesy experienced by customer, competence and communication skills of staff dealing with customers, the atmosphere of the contact situation and so on. The model suggests that the instrumental hard dimensions are implemented mainly through suitable company rules and procedures, whereas the psychological soft dimensions of customer care are determined by an emphasis on the perceptions, attitudes and behaviour of customer contact staff. It is in this latter domain that marketing management needs most to improve.

The human factor is crucial in the process. The interpersonal skills and behaviour of "front line" staff determine in many respects the initial quality of the supplier-customer relationship. However, customer care extends beyond this first interface or "moment of truth". Every individual in the company, irrespective of level or function, has an important role to play in the customer's perceptions of service and quality.

Companies can provide better balanced customer care in two ways. First, they can improve the environment where the transaction takes place and, second, apply marketing concepts internally, particularly amongst customer contact personnel. However, instigating a concept such as internal marketing requires careful attention, indeed a commitment in itself, to a comprehensive training programme of customer care. The development of such a programme recently in Northern Ireland Electricity, a large state-owned utility, is described. The authors conclude that winning a customer care orientation may often be a complex and gradual process requiring considerable change in organisation structure and key personnel.

Irish Marketing Review
Volume 5 Number 1 1990/91

Retail Financial Services in Europe - Banks Invade the Life Assurance Market

Colm Fagan, Lifetime Assurance Company

The reasons why banks have ventured into the life assurance market are examined in this article as are the various strategies employed by banks throughout Europe. Among the issues addressed are the profit dynamics of life

assurance distribution and the way economies of distribution can be achieved by reconfiguring the value chain.

Marrying the diverse cultures of banking and life assurance selling is not easy. Branch banking is steeped in the traditions of balancing the cash each day, the fear of the audit and the existence of a multitude of procedures and controls. In contrast, life assurance selling is saddled with the image of fast-talking salesmen who have little regard for controls or procedures and who are heavily incentivised in their remuneration. Unique challenges arise in trying to link these very different traditions to produce an effective and efficient system for distributing a wide range of financial services. The major issue is whether to seek to meld both traditions to create a single homogeneous culture or to seek to retain their separate cultural identities.

Some of the problems associated with the transformation of bank branches into retail sales outlets are touched on briefly as are the advantages of combination products which incorporate conventional banking and life assurance technologies. On the thorny question of whether banks should provide independent advice on all the life companies in the market or should link exclusively to one supplier, the conclusion is reached that independence of technology to solve customer problems may be more important than independence of supplier for just one of the range of available technologies.

There are no easy answers to the issues raised in this article. In any case, the right answers depend very much on an individual bank's objectives. For example, the arguments in favour of distribution of life assurance policies by banks depend very much on the central or fulcrum role of the branch in terms of customer relationships. How important will branches be in the future, especially with the trend towards automatic teller machine networks and towards home banking? Thus, while battle is joined, the outcome is by no means conclusive. In the end, victory will go to the enterprises, whether they be banks, insurance companies or whatever, which respond creatively and in the most cost effective manner to their customers' needs.

Irish Marketing Review
Volume 3 1988

Out-of-Town Shopping Development: A Case History in Retail Innovation

Stephen Brown, University of Ulster

Significant innovation in retailing usually takes place against a strong tide of established trade custom and practice. The recent growth of out-of-town shopping developments is a case in point. These new edge-of-town complexes have been prompted by such factors as increasing congestion at high street locations, the escalating cost of expanding such stores, the space extensive requirements of new product offerings, and changing demographic patterns. Since 1984, when Marks and Spencer, the doyen of high street shopping, announced its intention to develop a new generation of stores in edge and out-of-town locations, the retailing scene in the UK has been convulsed in what can only be described as 'shopping centre psychosis'.

This article examines one such out-of-town development, the planned construction by Marks and Spencer of a £20 million, 240,000 sq. ft. shopping complex at Sprucefield, on the outskirts of Belfast. This has stirred up considerable controversy and provoked vigorous opposition from retailers throughout the greater Belfast region. The results of a survey of shoppers and retailers in Lisburn, the town nearest the proposed complex, are described. Interestingly, both shopper and retailer see potential benefits to Lisburn from the new facility, though it is recognised that in order to attract spin-off business the town centre must become more marketing orientated. Indeed, the author concludes that if the current boom in out-of-town shopping development continues unabated, the marketing of geographical locations - town centres, existing shopping districts and so on - may emerge as a major focus of marketing activity in the next few years.

Irish Marketing Review
Volume 4 Number 1 1989

Dimensions of Product Planning in Retail Marketing

Gordon Greenley, University of Birmingham
David Shipley, University of Bradford

The objective of this paper is to contribute to the relatively sparse literature on the marketing management practices of UK retailing organisations. The "retail product offering" to consumers is in effect a composite of four ingredients: the physical product offering; characteristics of the store; customer and product services; and the shopping environment. The focus of this paper is on the first of these four alone, the physical product as a component of the overall retail product offering. Recent developments in this physical product component include the proliferation of dealer brands and generics and an increasing influence on the part of retailers over manufacturers. Retailers are no longer, mere stockists of the physical product - they are demanding new brands supported by heavy advertising and thereby inducing substantial product innovation on the part of manufacturers. Not only do manufacturers have to keep abreast of consumers' complex purchasing motives, they now have to address themselves thoroughly to retailers' product strategies. This article attempts to outline what this product strategy of UK retailers actually involves.

A structured questionnaire was mailed to 1,650 British retailing organisations all of whom offer physical goods. The 17% of firms replying were then classified in terms of turnover, number of outlets, type of store and type of good retailed. Seven variables relevant to the physical product were then rated by each respondent in terms of importance. Product quality and product range emerged as the two most rated variables. These exceeded the rating given to other physical variables such as labelling, trade marks and packaging.

However, the findings take an added texture when cross-tabulated by store type. For example, department stores and supermarkets rate quality as more important than any other store type, while labelling, trade marks and packaging are more crucial to supermarkets than other types of outlet.

The next topic to be probed was the factors influencing management product strategy decisions. Surprisingly "management judgement" was a clear leader even over "customer requests". Manufacturer considerations such as "manufacturers' advertising" and "manufacturers' representatives' suggestions" fared poorly. This may constitute a jolt for manufacturers but it is evidence of an increasing awareness among retailers of their input into new product development and innovation. Several differences were noted here also when results were cross-tabulated by outlet description; for example, "sales assistants' suggestions" were considered important by those outlets deemed small in terms of turnover and number of stores yet not by other outlet type.

The central finding of the research as a whole is that the concept of the marketing mix, and specifically the role of the physical product within this mix, is no less applicable to retailers than to manufacturers. The challenging feature is that both groups appear to hold varying perspectives on what variables are important in understanding the physical product.

Irish Marketing Review
Volume 5 Number 2 1990/91

The Emerging Internationalisation of Retailing: Present Status and Future Prospects

Alan Treadgold, Oxford Institute of Retail Management

Retailing has been slow to develop internationally. While international retailers are by no means a new phenomenon, it is only recently that a significant number of leading retailers have begun to commit themselves to developing an international trading presence. This article contributes to the growing body of literature which discusses, characteristically in either a descriptive or a prescriptive way, the emerging internationalisation of retailing.

The article has three main components. Section one reports on the present status of international retailing, with particular reference to developments in the European Community. It is suggested that, while an increasing number of *specialist* retailers are "international" in the sense that their trading presence extends beyond their home markets, for many such retailers the scale of their presence in Europe is, in fact, modest. Arguably more significant are the international moves being made by large *multiple* retailers. Constrained by mature home markets, leading European retailers are developing international linkages by acquisition, strategic alliances and joint venture activity. Retailers are also internationalising their trading presence beyond Europe. European retailers continue to invest heavily in the US while a number of US speciality retailers are developing operations in Europe. Japanese groups are also beginning to expand their interests beyond the Pacific region.

Section two attempts a more formal presentation of the current status of international retailing. It is suggested that three stages can be identified in the development of many international retail businesses. With some notable and well-known exceptions, retailing generally may be characterised as being in stage two of the three-part schema proposed. That is, the scale of ambition of many international retailers remains modest geographically.

Section three draws on the wider literature of international business development to suggest a mode of organisation which may offer retailers the prospect of fully realising the benefits of an international trading presence. This *trans-national* mode of operation seeks to reconcile the apparently conflicting aims of local responsiveness and global efficiency. The trans-national retailer is one which presents an offer tailored to the localised demand characteristics of consumers but which is also leveraging the behind-the-scenes efficiencies and benefits of being a global operator.

Irish Marketing Review
Volume 5 Number 2 1990/91

Retailing in the 1990s: Differentiation through Customer Service?

Leigh Sparks, Institute for Retail Studies, University of Stirling

For many years, retailers have been chanting the mantra that "the customer is always right". In reality, many customers leave many shops feeling that the last thing they ever want to do is to revisit that store or company. Clearly, there is a mismatch between service provision and service expectations, and although this implies that opportunities exist for successful differentiation through customer service, such objectives are not easily attained, nor are they suitable for all retailers. This article examines briefly the changing nature of retailing and its socioeconomic setting and describes the differences that these changes have prompted in the provision of customer services. Despite the present economic malaise, it is argued that service-based retailing propositions are likely to prove successful in the 1990s.

Few retailers, however, have a service strategy in place, though elements of service are present in many cases. Indeed, it is widely but erroneously believed that customer service in retailing comprises a set of physical services or facilities. A taxonomy of customer services is provided in the paper and a total service approach is advocated. The total service retailer needs to take *all* elements that make up the customer service offering and combine them into the service strategy. The analogy of the value chain is useful in this context - as is the so-called "gaps" model which focuses on the way information and service is provided to customers and the way expectations and perceptions are matched by the realities of service.

Such an approach is not easily achieved, although as a case study of Nordstrom, a Seattle based chain of department stores, illustrates, it can be done if appropriate to the retail offering. In the US when retail service is mentioned Nordstrom is almost synonymous. The basis for its success is the overwhelming focus on the customer and the willingness to back and reward staff who put themselves out for their customers. Customer "heroics" are celebrated as the pinnacle of salesmanship. Dedication is generated by a complex reward and commission system that treats every element of the company as responsible to its customers and rewards them on results - even accountants have customer service targets to achieve!

Irish Marketing Review
Volume 5 Number 2 1990/91

Is There a Market for Teleshopping?

Jonathan Reynolds, Oxford Institute of Retail Management

The prospect of shopping from home using new technology has been an enduring feature of anticipatory reviews of a changing retail sector. Indeed, commentators have been sufficiently convincing to persuade investors to place real money into real projects during the 1970s and 1980s in a number of Western economies, notably the US, France and the UK. That many of these projects subsequently failed completely, failed to meet their stated objectives -

or, in some cases, achieved entirely different ones - has been the subject of much discussion by practitioners and commentators. For many, the conclusion was that the developments in the 1970s and 1980s were predominantly technology-led; that they were "solutions in search of problems"; that they failed to meet a genuine need in the marketplace and that the success some of them subsequently achieved was accidental rather than planned. This contribution examines that assumption, in exploring the nature and characteristics of a "market" for teleshopping services.

Specifically, in a largely retrospective discussion, the article first compares take-up levels for, and the consumer attitudes and expectations towards, a contrasting set of teleshopping and teleservice operations begun around the world in the 1980s. In the UK teleshopping through videotex has had a chequered history. In France phenomenal success has been achieved through the Teletel programme. The other broad type of home shopping, the US home shopping show phenomenon, is also examined. The author attempts to distill the commonalities and contradictions in defining a market for goods and services through what is, in reality, not just one but a diverse range of potential delivery channels to the consumer, all of which involve varying degrees and sophistication of technology.

The conclusions from this selective review are used to drive discussion of likely future changes in consumers' attitudes and expectations which may serve either to facilitate or to obstruct the development of these new delivery channels. Demand is likely to be influenced in three broad ways. Macro-economic changes may affect the household's propensity to purchase new technologies in the home; such changes will also have significant effects on the time budgets of working households. A number of social and behavioural traits may strengthen the role of the home base in the purchasing of goods and services. The physical and attitudinal barriers to the adoption of new technology are likely to become less significant in the years ahead. Finally, four key opportunities for teleshopping systems are presented which draw upon this analysis in order to suggest a facilitating role for such systems in extending consumer choice.

Retail Location Theory: Retrospect and Prospect

Stephen Brown, Institute for Retail Studies, University of Stirling

It has often been said that the three most important properties of a retail store are location, location and location. However, as with most of the industry's aphorisms, most notably "the customer is always right", retailers are renowned for their failure to practise what they preach. Despite statements to the contrary, a cavalier attitude to locational decision taking has traditionally prevailed.

Recent years, however, have seen the demise of intuitive approaches to site selection. Thanks to the wider range of locational options now available, the ever-increasing costs of failure, the development of sophisticated, user-friendly analytical techniques and the growing professionalism and marketing orientation of retail management, a revolution in locational decision taking has transpired.

Impressive though these technological and attitudinal advances undoubtedly are, location decisions are still taken within and ultimately determined by the framework of town planning policy. Planning policy, however, is predicated upon outdated assumptions concerning the nature of consumer behaviour and the retailing industry. This has led to several attempts to formulate alternative models of retail location but these have not proved particularly successful. A synthesis of the old and new is advocated and a dynamic theory of retail location is proposed.

This "combination theory" of retailing evolution suggests that the spatial cycle starts with a single or small number of - often but not necessarily - cut price outlets occupying accessible (i.e. low cost) sites previously unused for retailing activity. Their success and evident customer appeal encourages other outlets to locate in the vicinity, thereby broadening the overall range of goods on offer. Through time, the facilities, appearance and standard of retailer gradually improves as do the costs of locating therein (congestion, rentals, etc.). This, in turn, creates an opportunity for the emergence of alternative low cost locations, which gives rise to closures in the old-established agglomerations and thus leaves a locational legacy of smaller, more specialised clusters of retailing outlets.

Irish Marketing Review
Volume 5 Number 2 1990/91

Retail Environments: Into the 1990s

A.J. Parker, Centre for Retail Studies, University College Dublin

Change in the domain of retailing is taking place at an increasingly geometrical, rather than arithmetic, rate of progression. Drawing examples particularly from the Republic of Ireland, this paper identifies several "environments" of change. Some of these environments are external to retailing and thus cannot be influenced by retail management. Others can be exploited by retail organisations and at least one, the in-store environment, is completely under retailer control.

Change should not be seen as a threat but as an opportunity and six retailing environments offering both challenges and opportunities are examined: the overall business environment; the demographic environment; the consumer environment; the retail environment; the technological environment and the future environment. Two examples may serve to illustrate briefly. Shopping developments are increasing in size. In Britain three regional scale centres of over a million square feet are already in operation. In Ireland a 700,000 square feet scheme, The Square, in Tallaght is likely to have a radical impact upon shopping patterns within Dublin, particularly with the development of the new orbital motorway. Second, the changing nature of consumer demand and retail environments has been paralleled by a shift in market power with the growth of multiple chains. Yet there has been evidence lately of a fight-back on the part of the independent sector.

Although perhaps the most difficult to predict, the future environment will be characterised by retailers' growing demand for quality, up-to-date data on consumers and their behaviour, increased adoption of more scientific methods of store assessment, and additional diversification into new products and international markets. Success in the 1990s will depend upon retailers gaining the competitive edge through the pursuit of quality, of service and of matching their consumers' needs to their product offer.

Irish Marketing Review
Volume 1 1986

Consultancy Revisited

Ivor Kenny, Chancellor, International Academy of Management

Most enterprises at some stage in their development falter in their sense of direction and find themselves out of balance with their markets, customers or technology. Something is wrong and a reassessment is needed. Yet doing this successfully is often hindered by what the author calls "a no-disclosure disease". This manifests itself in managers who withhold from one another what they think and feel about what really goes on in an organisation. Organisations create dependency relationships which can inhibit learning and truth. This no disclosure disease is the major contributor to organisations not knowing where they stand. To overcome it outside help is needed.

The shortcomings of conventional management consultancy in this regard are outlined. Conventional consultants often become creatures of their training and repeat themselves from case to case. Also, as outsiders they to not take responsibility for their recommendations when they are put into practice.

The author advocates an action research approach which has three distinct phases. In the first phase the external adviser or consultant has lengthy interviews on a one-to-one basis with key personnel. Out of this analysis comes a picture of the enterprise which the organisation itself has drawn. The second, more focused phase, edges slowly towards the solution stage, but again the recommendations come from the organisation itself. The adviser's third and withdrawal phase is to help set up processes which will permit those managers who have helped define the problems to participate in their solutions. The author describes the circumstances in which this type of external interventon is most likely to be successful and profiles desirable qualities in the adviser.

Irish Marketing Review
Volume 1 1986

Marketing and the Small Business - A Case History of Education Development

William M. Clarke and David J. Carson, University of Ulster

In recent years, governments have paid increasing attention to the development of the small business sector. At the same time universities and other third level institutions have been exhorted to become more responsive to the needs of industry. This paper evaluates various attempts by staff of the Faculty of Business and Management of the University of Ulster to assist owner-managers of small businesses to develop their marketing expertise. The shortcomings of conventional short courses for this purpose are noted, in particular the problem of ensuring that the material presented to participants is perceived as being relevant to their needs and is subsequently transferred into positive action within the firm.

The principles of action learning are discussed in terms of their potential value as solutions to this problem. An attempt to design and implement a small business export development programme incorporating some features of action learning is described and evaluated. It is concluded that the action learning approach offers valuable insights which can lead to significant improvements in the effectiveness of small business marketing development programmes though at a substantially greater cost in resources than conventional short courses.

Irish Marketing Review
Volume 2 1987

Corporate Culture and Strategic Success

Aidan Kelly and Thomas Gavigan, University College Dublin

A significant portion of the recent literature in the field of human resource management addresses the notion of corporate culture. On both sides of the Atlantic there has been considerable in-depth treatment of the topic and it is viewed by many as holding the potential for several new developments against the backdrop of traditional industrial relations and personnel management policies and practices.

In this article, the authors examine the sources and nature of corporate culture and draw a contrast between this new model of human resource management and the traditional practices. They report on a study of ten companies in Ireland which are widely regarded as being "strong culture" organisations. This study identifies several human resource management characteristics which are common to most of the companies in their sample. Together they represent a significant departure in the ways in which the organisations relate to their employees.

The authors also consider these developments in the context of broader business and marketing strategies and show how the so-called "employee commitment" model may be a critical element in overall business performance and success. They highlight the implications of a corporate culture strategy for human resource management practitioners and focus on the importance of the links between corporate culture and successful marketing practice.

Irish Marketing Review
Volume 2 1987

Organisational Design for Effective Product Innovation

Richard Kohler and Klaus Tebbe, University of Cologne

How should companies arrange their organisational structures to best cope with product development? New product ideas and research which are intrinsically sound often fail to materialise because of an inadequate organisational framework in a firm. The authors here address this problem of organisational design for effect product innovation. The article first of all summarises various concepts from relevant management and marketing literature and then compares these with results of an empirical survey carried out by the authors in West Germany in the province of North Rhine-Westphalia. This province has a particular concern with innovation in view of its outmoded monoculture of coal and steel.

Two key distinctions are seen in whether an organisational form for product innovation has permanent or temporary status and whether its personnel are committed on a full or part-time basis. The authors consider in depth differing approaches to product development and commercialisation such as the new product department, the new product manager, project management, the ad-hoc committee and so on. They find commitment to innovation projects that is full-time to be the most satisfactory in terms of personnel motivation and identification with the project. A danger is highlighted that certain types of organisational forms, such as the new product department, may find themselves isolated from the mainstream of company ongoing activity and decision-making. It is also observed that enthusiasm and commitment to innovation projects during the various stages of the innovation process can vary differently for different organisational approaches. Finally information flow is considered a key variable.

Irish Marketing Review
Volume 3 1988

The Network Approach to Marketing

Per Andersson and Magnus Soderlund, Stockholm School of Economics

The network approach to marketing challenges the classical marketing theory espoused by such authors as Kotler. It questions the traditional 4p's marketing approach and highlights the importance of cooperation rather than competition in many markets, particularly industrial. Marketing activities in this network theory refer to the management of relationships between customers and suppliers where market demands are assumed to be heterogeneous. Such relationships are seen as the central coordination mechanism of resource exchange, in contrast to prices and/or hierarchies.

Thus, 'marketing' and 'markets' are given a different meaning in the network theory. Empirical studies upon which the network theory is based have shown that transaction between buyers and sellers often take place within relationships that are of a long-term and interactive nature. The implication of this is that cooperation rather than competition becomes important; cooperation with exchange partners is seen as the major strategy with respect to marketing problems. Further, since each firm is seen as dependent on exchange with the environment, each firm has to be analysed with reference to its relationships with its exchange partners. This means that the firm's internal resources become important mainly in respect of how they are coupled with external resources. Hence, the network theory can be summarised as an open system theory, where resource dependency among participants is of major interest.

Irish Marketing Review
Volume 3 1988

Group Marketing : Theory and Practice

John J. Lennon, Irish Export Board

Because of the size of the home market, many small/medium sized enterprises (SMEs) need to export if they want to grow. However, the majority of Irish SMEs are small compared to their European, American and Japanese counterparts, making it difficult to compete successfully in export markets. Group or cooperative marketing helps such companies overcome these problems by enabling them to join together and share the costs of marketing/selling in an overseas market.

In essence, group export marketing occurs where three or more companies supplying non-competing goods or services agree to coordinate and share the cost of their export marketing activities in order to enter a specific target market. In this way companies who would not otherwise have the necessary knowledge or resources to succeed in an export market, can enjoy the advantages of the group effort and can export at reasonable cost.

This article reviews the concept of group marketing and examines its development within Ireland and its application in other EC countries. Barriers to the cooperative approach are discussed, as is the role of the Irish Export Board as catalyst in the development of group marketing programmes. A number of case histories of such successful programmes is outlined. Recent trends in the concept are assessed and cooperative marketing is seen as a very real opportunity for many SMEs to develop future export strategies.

Irish Marketing Review
Volume 3 1988

Cooperating for Change: The Experience of a US Food Coop

Ralph Hofstad, Land O' Lakes, Inc., Minnesota

US agriculture like its European counterpart has undergone a period of significant transition over the last decade. It has evolved from an era of buoyant demand, growing prices and output to one of excess supply and uncertain prices. US cooperatives have been facing a new and hostile trading environment. In response many cooperatives have been re-examining the concept of cooperation, as distinct from competition, in developing business strategy. There has been a renewed commitment to cooperation among cooperatives and to exploring new forms of partnership and linkages in the agribusiness network.

This article describes examples of such cooperative ventures recently undertaken by Land O'Lakes, the giant Minnesota-based farm supply, dairy processing and food marketing cooperative. Three examples are discussed: an extensive cooperative partnership in the farm supply business; a significant joint venture in the dairy production business; and a partnership with the public, in the development of a publicly-held stock company in a portion of the company's food business. The concept of strategic partnership alternatives is then outlined. This examines a variety of methods for achieving partnerships along with their attendant risks and advantages.

Irish Marketing Review
Volume 4 Number 3 1989

Lowest Total Cost as a Marketing Stratagem

Bill Chambers, Etos Investments Ltd

This article addresses recent developments in the purchasing and supply behaviour of firms at multinational and subsupply level. It does so against a background of extensive developments in the theory of industrial and business-to-business marketing over the last decade: the so-called network approach to marketing; the increased understanding of the role of negotiation and exchange processes; and the study of formalised and co-operative arrangements between buyers and sellers. Many of these concepts challenge the traditional Kotlerian view of marketing with its emphasis on consumer products, the 4Ps and competitive modes. Rather than attempting a comprehensive overview of all this literature the author initially presents the interested reader with an outline of one of its most seminal constructs, the Interaction Model, developed by the Industrial Marketing and Purchasing (IMP) group.

Paralleling these developments has been an equally fundamental reassessment of the role of purchasing. As subcontractual work replaces traditional in-house manufacturing, the relationship and linkages between subsupply firms and their larger client companies take on a crucial dimension. Firms are beginning to re-evaluate the practices of purchasing and their impact on overall profitability. In this context one particular mode of purchasing, the Lowest Total Cost Model, is explored. The LTC model is an approach to purchasing at present employed by many multinational companies and represents an attempt on their behalf to secure access to high quality and reliable sources of supply. The development of strategic partnerships with a limited supplier base enables these firms to develop more efficient manufacturing systems, as exemplified by just-in-time manufacturing. The model is illustrated with some interesting data from the electronics industry. The strategic implications of these developments for marketing stratagem are discussed. Finally, to illustrate theory in practice a case history of a subsupply firm, Industrial Print Limited, is described.

Irish Marketing Review
Volume 5 Number 3 1990/91

Strategic Alliance Evolution and Global Partnerships

Peter Lorange and Johan Roos, Norwegian School of Management

Managing strategic alliances also means understanding the underlying dynamics of how alliances work and function. One major characteristic of a strategic alliance is that it undergoes an evolutionary process; it grows and changes over time for a number of reasons. This article outlines how and why strategic alliances evolve, from shared partnerships to those where one partner is dominant and subsequently to alliances that have developed into independent autonomous entities.

A model of a general evolutionary pattern for alliances is proposed. During Phase 1 of its life, the alliance may be seen as a 'shared' strategic alliance between parents with each parent having an active and typically complementary role. In Phase 2, one of the partners continues performing a set of functions on behalf of the venture, becoming relatively more 'dominant' while the other gradually becomes relatively more passive as the joint venture organisation takes over more and more of the value-creating functions on its own. It should be pointed out that these relative changes in partners' tasks should be anticipated in the strategic alliance agreement and should be seen as natural and pragmatic. The emergence of a Phase 3 stage, where the strategic alliance plays the role of a more or less fully autonomous free-standing entity, is often the natural next step.

The authors then apply this generic model to the case of companies which pursue a *global* competitive strategy using the avenue of strategic alliances or partnerships. Three global alliance patterns are identified; global dominant, global shared and global independent. Aspects of the nature, behaviour and evolution of these three global alliance types are explored.

Several examples from international business are given to illustrate how dynamic alliances can be and also to show that, while a general evolutionary pattern is followed by most alliances, certainly not all fit the pattern and for a variety of reasons. Two of the examples cited included FiatGeotech and SAS Airlines. The FiatGeotech example discusses an alliance between Fiat (Italy), John Deere (USA) and Hitachi (Japan), all producers of earth-moving machinery. This example also gives a glimpse into an alliance that is strong because of the shared synergies between the three firms as well as a superior understanding of the dynamics of alliance.

In the commercial airline industry Scandinavian Airline Systems (SAS) — itself formed as a joint venture between the three Scandinavian countries' national airlines - provides an example of a global dominant partner. SAS has turned the potential disadvantage of a small home country base into an offensive global strategy by orchestrating a network of strategic alliances with other smaller airlines in Europe, the East and the Americas. This has allowed, among other benefits, SAS to offer its passengers one-stop services to most parts of the world with a minimum waiting time.

Irish Marketing Review
Volume 5 Number 3 1990/91

Strategic Alliances in Practice: The Case of Aer Rianta and Aeroflot

Derek Keogh, Aer Rianta

The political and economic changes in Eastern Europe are providing Western industrialised countries with trading opportunities that are potentially attractive yet fraught with difficulties. In the foreseeable future joint ventures, cooperative agreements and strategic alliances are likely to be the most effective ways for many companies to do business in Eastern Europe. The Western partner is provided with access to a marketplace which has many complex characteristics, while the Eastern partner enjoys a transfer of management, marketing, production, technological and financial know-how. Aer Rianta, Ireland's National Airports Authority, has been involved in such a strategic alliance in the Soviet Union with Aeroflot for a number of years. It has been highly successful for both parties and has proven to be the springboard for a range of commercial activities. This article outlines the background, development, difficulties and benefits involved in this relationship.

The origins of the partnership go back over a decade. Aeroflot was a regular user of Shannon Airport for refuelling stops. A scheme to store fuel of Soviet origin at Shannon and a number of subsequent fuel bartering arrangements enabled Aeroflot to reduce substantially its hard currency commitments. Thus with the advent of *perestroika* it seemed natural that the two companies would explore avenues of possible partnership in the Soviet Union. Currently Aer Rianta has nine different business ventures trading successfully in the Soviet Union with Aeroflot and a range of other partners. Activities include running duty-free shops, a supermarket, bars, catering, in-flight duty-free sales, construction, import/export, accommodation rental and computer assembly.

The success or failure of a joint venture depends upon many different variables including the ability to achieve integration of cultures, styles and personalities. One of the major stumbling blocks for Aer Rianta was the lack of understanding of the concepts of service and quality - the concept of the customer as king is a somewhat alien notion in the Soviet Union. Changing these approaches involved intensive reorientation and training of local staff as well as a lot of role modelling by Irish management and front-line staff. If Soviet staff proved to be highly adaptive and willing to learn, Irish management and staff were, for their part, highly motivated and zealous.

Finding the right partner is the first crucial consideration in a joint venture in the Soviet Union. It is important to ensure that the prospective partner is not made up of "yesterday's men" and that both partners share the vision of what the joint venture is seeking to achieve in terms of objectives, quality, value-for-money, long-term versus short-term profitability and so on. The first joint venture is the hardest. Aer Rianta's experience has been that it can take a considerable length of time to complete a first joint venture agreement, whereas additional agreements can be easier. This has to do with "learning the ropes and establishing a trust" on both sides and also with the benefits of establishing a reasonable track record.

Irish Marketing Review
Volume 1 1986

A Structural Comparison of Japanese and German Marketing Strategies

Hans Gunther Meissner, University of Dortmund

In this article some contrasts between German and Japanese marketing strategies are explored. Both countries developed the American concept of marketing in different ways. Of importance in Germany was the craftman's tradition with its focus on efficiency, product orientation with the guarantee of quality, and operation in comprehensible and controlled markets. This tradition is the decisive factor in the international competitiveness of Germany companies. Of importance in Japan was the Samurai tradition. It was the Samurai elite who controlled the transfer of Western technologies and production methods to Japan. That tradition was characterised by the imperative of retaining identity as Japanese and it continues to underlie the marketing strategies of Japanese companies. Adaptability and retention of identity are the key terms. What is emphasised is harmonious agreement with the customers and the avoidance of open conflict.

International Japanese competitiveness is much more strongly characterised by price competition and a readiness to suffer run-up losses in order to penetrate markets, than is the case with German firms. The German stress on personal responsibility inhibits innovation while the Japanese stress on collective responsibility encourages it or, at least, an openness to innovations developed elsewhere. Further, the product orientation of German marketing frequently leads to tension between engineers and marketers, a tension not encountered in Japan where marketing strategies are more strongly integrated and show a high level of sensitivity.

Further differences can be noted in the field of advertising with a Japanese focus on television and daily newspapers and a German focus on daily newspapers and general periodicals. Germany favours the personal encounter; hence the preference for international fairs as a marketing communication channel. Also examined are the different kinds of consumer behaviour in the two countries. In Japan the middle class ethos is dominant. In Germany the spectrum runs from "Jet Set" to "New Poor", and leads to a dynamic of change and growth. Japanese marketing aims at adjustment and transfer and makes extensive use of mass marketing whereas niche marketing is the predominant type of German marketing strategy.

The article concludes that the cultural differences will remain as will their impact on marketing strategies but argues that both countries can learn to advantage from each other. And for both there will be the imperative of developing world-wide identities and establishing them in the world market.

Irish Marketing Review
Volume 1 1986

Inquiry and Decision in International Marketing

M. Frank Bradley, University College Dublin

This paper examines recent developments in international marketing. In particular, it treats of a number of definitional issues to determine the scope of the discipline. The discussion and analysis takes place in the context of the systems-exchange paradigm. Many of the more recent contributions to international marketing are interpreted by taking the systems-exchange perspective.

It is evident that researchers are preoccupied with conceptualising international marketing problems while at the same time paying little regard for the

structure in which these developments take place. Environmental issues, such as the role of public policy, exchange rate movements and broader political matters, are not treated as integral in the development of the firm in international markets. While considerable attention has been given to aspects of the role and functions of participants in the system and the assets they transfer have been examined from a number of perspectives, there has, however, been little attempt to consider exchange transaction modalities other than exporting.

An attempt is made to integrate the transaction modality decision and the product-technology of the firm in the context of the systems-exchange paradigm. The paper ends with a discussion of these developments and makes a number of suggestions on possible future courses of action which might appeal to the researcher and the manager.

Irish Marketing Review
Volume 2 1987

Managing Political Risk in International Marketing

Colin Gilligan, Sheffield City Polytechnic

Firms that produce, invest and market across many national boundaries often encounter volatile, and at times malevolent, political environments. Traditionally such environments tended to be viewed as beyond the ability of firms to influence, as uncontrollable factors. Increasingly however, many such companies are finding that with good strategic management it is possible to impact on the political arena with favourable results. It can be feasible to try to minimise, indeed to manage political risk.

In this article the author explores the background to political intervention and governmental barriers to commercial success in an international context. Sources and manifestations of different political problems and types of risk are outlined. Patterns of political intervention in both developing and developed countries ranging from expropriation of assets, to domestication and market controls are examined in some depth.

In response firms must engage in new multinational strategies. In assessing political risk, the importance of developing detailed political profile checklists of countries is highlighted. The role of megamarketing - the introduction of two new Ps, political muscle and public relations skills, into the marketing mix - is discussed. Finally, a framework for managing political risk is set forth identifying three major strategic options: independent strategies, cooperative strategies and strategic manoeuvring.

Irish Marketing Review
Volume 2 1987

Export Promotion: The Role and Impact of Government Services

F.H. Rolf Seringhaus, Wilfrid Laurier University, Canada

Export expansion and the role governmental export promotion plays in this process is the central focus of this article. The increasing globalisation of markets is making this topic one of growing concern to managers, governments and researchers. The author compares the export support services available in different countries and observes not only the varying philosophies of support and organisational arrangements but also the different strategy approaches used in the conduct of export promotion.

Assessing the effectiveness of export promotion services is a complex issue. A number of recent government reports have indicated an uncertainty about support programme effect on user firms and have highlighted a lack of clear

evaluation criteria for such programmes. The author suggests this problem is exacerbated by a failure to appreciate fully that the need for export promotion assistance changes as the firm moves through the phases of the exporting process, i.e., export planning, market entry, active exporting and so on. Public policymakers therefore face a basic challenge in understanding a firm's export-related needs at different export involvement stages and in targeting their limited resources at these differentiated and specific firm requirements. These requirements typically are greatest among smaller firms and in the early phase of the exporting process. It is concluded that a firm's competitive competence, however, remains the mainstay of successful foreign market involvement, albeit supported by external promotion services.

Irish Marketing Review
Volume 3 1988

The Marketing Challenge of 1992

M. Frank Bradley, University College Dublin

The marketing challenge facing Irish firms arising from the completion of the internal market in 1992 is examined in the context of global competition and the need for a strategic marketing response. Using company level data drawn from local and international sources, success factors for corporate survival in international markets are identified. These success factors are matched against the responses of Large Scale Indigenous Companies, Foreign Owned Companies and Small and Medium Enterprises operating in Ireland on the basis of an internationalisation effectiveness scale. Firms in the three categories are shown to be deficient in many respects.

Public policy initiatives to select and support growth firms attempt to redress a number of these problems but fail to distinguish between corporate and entrepreneurial survival and growth, making it difficult to pick winners, which directly influences employment and profitability. A separation of macro environmental and company based initiatives must be made. The latter include marketing responses at the company level. The required marketing response consisting of a series of initiatives in the areas of product-market development, cost competitiveness, company growth factors and marketing professionalism to meet the challenge of 1992 are analysed for their value to Irish firms. Only firms which determine appropriate strategic growth paths that include an international marketing dimension are likely to survive and grow.

Irish Marketing Review
Volume 4 Number 1 1989

The Impact of Innovativeness on Export Performance: Empirical Evidence from the UK Mechanical Engineering Industry

Bodo Schlegelmilch and Adamantios Diamantopoulos
University of Edinburgh

While there is a substantial body of literature on the link between innovativeness and export performance both at an aggregate (i.e. industry or economy-wide) and at firm-level, there are certain methodological characteristics of previous research which offer scope for improvement and, thus, a better understanding of the said linkage. The present study represents an attempt to add to existing knowledge on this issue through a research design and measurement scheme aimed at isolating the pertinent variables of interest and improving their operationalisation. The study concentrates on a specific industrial sector and the data used were obtained by means of a mail questionnaire despatched to a national sample of manufacturing companies operating in the UK mechanical engineering industry.

Specifically, an attempt is made to capture both objective and subjective dimensions of innovativeness and examine their combined effect on the export performance of the firm as reflected in export intensity (i.e. the proportion of total company revenues derived from export activity) and export growth dimensions. The measures used to describe the degree of innovativeness of the firms in the sample fall into two distinct categories reflecting objective and subjective aspects of innovative activity respectively. The former set of measures relate to the resources allocated for innovation as well as the results of innovation itself, e.g. R&D expenditure as a percentage of total sales, R&D employees as a percentage of total employment, number of patents, and so on. The second set of measures consists of subjective indicators of innovativeness and attempts to capture the extent to which the firm creates an "atmosphere" conducive to innovative activity; it has been found that in organisations with strong norms against innovation the innovative contribution of even their most creative members is likely to be dampened and that, unless impelled to innovate, even innovative persons may fail to promote innovation within an organisation.

Consistent with previous findings, the results indicate that innovativeness influences export performance. However, important differences are revealed between the various dimensions of innovativeness in terms of the nature and magnitude of their impact on the performance measures. For example, the results do not show a significant influence of R&D employment on export intensity; however they reveal a strong positive influence on export growth. Indeed, perhaps the most surprising finding is that the aspects of innovativeness bearing upon export intensity are largely *different* from those bearing upon export growth. This implies that impact of innovativeness on export performance is not uniform but varies according to the aspect of performance under consideration. From a managerial perspective the study's findings serve to emphasise the need to recognise the multifaceted nature of innovativeness and its differential impact on specific dimensions of export success.

Irish Marketing Review
Volume 4 Number 2 1989

Tyrone Crystal: Striking out in Japan

Jim Bell and Stephen Brown, University of Ulster

The Japanese market is viewed with considerable trepidation by many potential exporters largely as a result of widely reported failures by major corporations, the outstanding international performance of Japanese companies and a widespread belief that Japan is protectionist and pursues "unfair" trading practices. Despite this, increasingly affluent Japanese consumers are ever more favourably predisposed towards quality Western products. This trend is encouraged by the more "open" stance adopted since 1985 by a Japanese government anxious to assuage the fears of its major trading partners at a time when Japan's balance of trade surpluses have given rise to universal concern.

This article describes the market exploration experiences of Tyrone Crystal, an Irish manufacturer of high quality crystalware. Research into the market was funded by the company and the Industrial Development Board for Northern Ireland and was conducted by a team of post-experience students on the University of Ulster's International MBA programme. The findings demonstrated that, although official impediments to entry were minimal and could be overcome with relative ease, gaining acceptance among Japanese consumers would present the company with greater problems. Indeed, i transpired that many of the design qualities prized in other markets are incompatible with prevailing Japanese tastes. Despite this, the study identified a number of concrete opportunities within specific market segments for Tyrone Crystal and it has since been successful in obtaining business in Japan. Furthermore, the increasing westernisation of Japanese consumer preferences bodes well for future export activities.

In a broader context, the paper highlights the benefits that can be gained from conducting international marketing research. It concludes that despite the perceived difficulties associated with the Japanese market, in reality, good opportunities exist in highly exclusive segments such as fashion, leisure goods and giftware for quality manufacturers. There is strong evidence to suggest that small Irish and other European companies could emulate Tyrone Crystal by striking out in Japan.

Irish Marketing Review
Volume 5 Number 1 1990/91

US Marketers and the EC 1992 Environment: Towards a Research Agenda

George V. Priovolos and P. Everett Fergenson, Iona College, New York

This article outlines a research agenda of concern to US marketers and, in particular, to US Entrepreneurial Firms (EFs) in regard to the European cultural environment they will face if they decide to enter the single European Community market after 1992. It will also be of interest to European business managers, policy makers and researchers who want to learn more of the concerns and mind-set of US managers in regard to the newly emerging Europe. The research questions posed appear under the headings of language, cultural diversity, origin-of-product bias, business structure, management style and values, views on competition, and material culture (education and communication media). They are introduced, in each section, with a few paragraphs updating the reader on EC'92-related developments that might affect that dimension of European culture.

Two examples may be cited briefly. In the past there has been a tendency in US business publications to portray European managers (rightly or not) in the context of their business relations with their US counterparts, as patient negotiators, more status than time conscious, sensitive to "third party" (labour, government) concerns, attentive to context and etiquette in communication and concerned about personal and social relationships with business partners. How true is this, and even if it is, how is it likely to change with the growth of the Single Market? Equally, what are the possible implications for lifestyle and values and subsequent marketing communications of the new commercial satellite TV stations? These not only reflect the presence of diverse value sytems, ideologies and interests, but also help to create a new culture, e.g., through their emphasis on advertising and "consumer-driven" (in contrast to "producer-driven") programming.

US companies targeting the EC'92 market should not accentuate any existing negative European impulses towards US-made goods by simplistically viewing that market as just another opportunity for quick profits or a dumping place for their excess domestic inventories. Instead, through careful research and continuous interest, they should prepare themselves to understand post-1992 Europe better. Even if that means going through "the seemingly endless and often overwhelming variety of European cultural characteristics".

Irish Marketing Review
Volume 5 Number 3 1990/91

Europe 1992: A US Perspective on the Implications for Business

Ronald S.J. Tuninga, Rutgers University
Arthur Sybrandy, Penn State University

The changes taking place in the European Community are important for American international competitiveness. The combined members of the EC are by far the largest foreign investors in the US and play a major role in world trade. Further, the EC represents a sizeable market. The imminence of this Single Market has given rise to fears among US business managers of a shift in competitive strengths, a rise in protectionism and a "Fortress Europe". A study of 115 US business executives by personal interview examined their concerns, perceptions, and knowledge of Europe 1992.

In order to determine the executives' familiarity with the European Single Market, a twofold approach was used: the respondents' subjective or own assessment, and an objective rating using specific questions to measure the respondents' actual knowledge. Less than a third of the respondents rated themselves as either familiar or very familiar with Europe 1992. This is a low percentage especially considering that more than 50 per cent of the respondent companies already had some involvement in the European market. Further, this subjective self-rating showed little correlation with the results of an objective Guttman scale which measured the respondents' actual knowledge. The implication is that many US managers underestimate the need for hard factual information about the Single Market. That this lack of knowledge is unacceptable and indeed dangerous is highlighted by the fact that when asked to compare areas in the world impacting on US business, respondents placed the highest scale value on the European Community.

Almost half of the respondents agreed with the statement that the unification of the European Community would lead to a Fortress Europe and concern was expressed about possible protectionist measures. However the data was inconclusive and indicated as much an anxious uncertainty about developments in Europe as the conviction that barriers would in fact go up. Technical and fiscal barriers were seen as potentially the most important.

In examining functional business areas it was generally agreed that marketing is the function that will be most affected by the Single Market. Interestingly, within the ambit of marketing, logistics/distribution was perceived to be the activity that would be most affected; marketing research and promotion/advertising would likely be least affected. Considering those directives directly relating to the transport sector, the authors conclude that the restructuring of industries will have implications for the flow of goods and services far beyond the European Community.

Cumulative Index

Volumes 1-5

Irish Marketing Review
Volume 3 1988

Volume 3 1988

Volume 4 Number 1 1989

Volume 4 Number 2 1989

Volume 4 Number 3 1989

Volume 5 Number 1 1990/91

Volume 5 Number 2 1990/91

Volume 5 Number 3 1990/91

The Role of Internal Marketing: If the Staff Won't Buy It, Why Should the Customer?

James G. Barnes, Memorial University of Newfoundland

Abstract

The process of ensuring that the staff of a firm are committed to the goal of ensuring the best possible treatment of customers has been labelled ''internal marketing''. This concept involves the application of marketing principles to ''selling the staff'' on their role in providing customer satisfaction. Customer service is equally important, regardless of whether a company is involved in the marketing of tangible products or intangible services. The most important marketing resource is the employees who deliver the service. The implementation of an internal marketing programme is recommended and and appropriate marketing mix outlined.

MARKETING IS CUSTOMER SATISFACTION

While it is not always obvious in dealing with many companies, the long-term view of marketing is that if marketers give customers what they want, they will come back. While an effective marketing programme requires that emphasis be placed on product development, pricing strategy, location, advertising and other elements of the marketing programme, the ultimate goal must be to produce satisfied customers who will continue to patronise the business. In this respect, all aspects of the company's operation must be oriented toward satisfying the customer. For, if the company is not successful in this regard, there is always a competitor who is prepared to try.

The emphasis of this paper is on customer service; not on the marketing of services; not even on how quickly or effectively the firm responds to the customer; but generally on how well it treats them. The thesis is that customers who are treated properly in their relationships with the personnel of the company will be satisfied and will come back again and again. The process of ensuring that the staff of the firm are committed to the goal of ensuring the best possible treatment of customers has been labelled "internal marketing". This concept relates to the application of marketing principles to "selling the staff" on their role in providing customer satisfaction(Gronroos, 1985). The concept is applicable to all organisations, whether in the private, public, or not-for-profit sectors, and regardless of whether the organisation is involved in the marketing of products or services(Winter, 1985 pp. 69-77).

The ultimate marketing orientation is for an organisation to manage effectively all aspects of its interaction with its various publics. The objective of ensuring customer satisfaction is achieved by putting in place programmes to ensure that product and service quality meet the standards of the organisation and its target customers. Also, the company which is serious about serving the customer will implement a programme of systematic monitoring of customer satisfaction and the quality of customer service(Bailey, 1989).

The satisfaction of its customers is critical to the long-term success of any organisation. In a study conducted in the United States, 40 per cent of customers interviewed listed poor service as the main reason for their switching to the competition(Blume, 1988). Poor customer service is a major factor in creating dissatisfaction among customers. Conversely, the way in which a company treats it customers represents an important area for differentiating itself from the competition. Some of the world's most successful marketing companies have done just that. A satisfied customer will remain loyal to the company or brand, but the creation of satisfaction depends on the cooperation and commitment of employees. Getting them to "buy in" is the challenge of internal marketing.

MARKETING SERVICES OR MARKETING SERVICE?

Today, we live in a services economy. As much as 70 per cent of the Gross National Product in most countries of the developed world is accounted for by services. Most organisations which we encounter on a daily basis are involved

The Author

Dr James G. Barnes is Professor of Marketing and former Dean at the Faculty of Business Administration, Memorial University of Newfoundland, Canada. Dr Barnes is also co-founder and chairman of the board of Omnifacts Research Limited, a full-service marketing research company serving eastern Canada. He is chairman of the board of the Canadian Saltfish Corporation and a member of the board of directors of McGraw-Hill Ryerson Limited. He is co-author of Fundamentals of Marketing, *a leading Canadian marketing textbook, published by McGraw-Hill.*

in producing and marketing services. One author has estimated that up to nine out of ten managers in North America and Europe will be suppliers of services, rather than goods, by the year 2000(Economist, 1989). Much attention has been paid in marketing textbooks to the characteristics of services, as compared with those of tangible products: intangibility; inseparability of service from the service provider; heterogeneity; and perishability(Sommers *et al.*, 1989). Much research has been done in recent years on the marketing of services(Gronroos, 1988), and it is in the context of the marketing of services that customer service is usually addressed.

But, as Theodore Levitt has observed, "There are no such things as service industries. There are only industries whose service components are greater or less than those of other industries. Everybody is in service"(Albrecht, 1988). Other authors have commented on the transformation of many large multinational corporations from manufacturing firms to service firms, as they began to realise the importance of serving the customer(Peters, 1988). The principal issue therefore, is the extent of the intangibility of the "product" which the company is marketing. While customer service is undoubtedly important in the marketing of services, it is also important in the marketing of tangible products. All firms have to appreciate that the way in which they treat their customers is critical in influencing whether the customers stay or switch. The "product" may be the physical items marketed by the manufacturers of appliances, automobiles or toothpaste, or it may be the services provided by airlines, hotels, retailers and entertainment companies.

Firms involved in the service industry make greater or lesser use of tangible products in support of their marketing efforts. This ranges from the obvious use of tangible products by rental car companies, hotel chains, and airlines, to the almost total absence of tangible aspects in the professional services of lawyers and accountants. Regardless of the extent of the tangibility of the "product", all marketers are in the business of marketing service.

CUSTOMER SERVICE

It has been said that marketing is too important to be left to marketers. This observation suggests that marketing is critical to the long-term success of any organisation and that it requires the commitment of the entire staff, from the Chief Executive Officer to the people who answer the telephone. A great deal of attention has been paid in recent years to the concept of customer service. Business appears to have "discovered" this phenomenon and has begun to realise that it holds the key to success. The movement towards improved customer service has been buoyed by the suggestion that it costs five times as much to attract a new customer as it does to retain an existing one(Desatnick, 1987, p. 3). Most successful companies now realise that it is no longer sufficient to make a quality product. Their marketing programmes are now extended beyond the four components of the marketing mix, to include treating the customer well and paying attention to detail. Some marketing textbooks are even beginning to suggest that "people" should be added as the fifth element of the marketing mix.

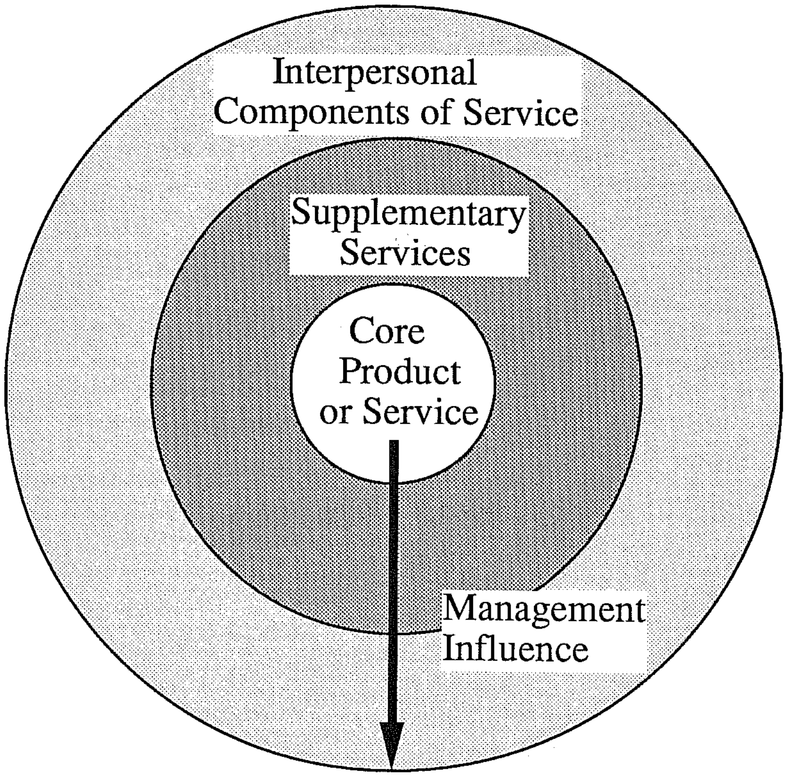
In many ways, providing personalised personal service is much easier in this age of advanced technology. Hotel chains can welcome returning guests with a personalised letter from the manager. Banks, through extensive automated teller machine networks, can greet vacationing customers thousands of miles away with "Good morning, Mr Smith". Travel agents can maintain database on frequent travellers, to ensure that itineraries include their favourite hotels, whether they prefer smoking or non-smoking rooms, and where they like to sit on an airplane.

Management must be concerned with customer service at three different levels: the core product or service being provided, an array of supplementary services, and the interpersonal components of customer service (see Figure I). Other authors have observed that the offerings of a company consist of the core product and a series of supplementary service elements(Lovelock, 1989). The core, in the case of a manufacturer of a tangible product, is easy to understand. In the case of service companies, however, the core "product" is less easily conceptualised. It is, in the case of a restaurant, fundamentally the meals it serves. For an airline, it is its ability to take passengers from London to Lisbon, New York to New Delhi, Toronto to Tokyo. As is often the case with tangible products, the services offered by many competing service companies often become indistinguishable — several airlines can transport passengers from London to Lisbon.

The differentiation of a company from its competitors comes, therefore, through the provision of supplementary services. In the case of companies which market tangible products, these consist of elements of the sale which would include, for example, warranties, post-purchase service, delivery and credit. In the case of the airline flying to Lisbon, the supplementary services include frequency and schedules of flights, meals and other in-cabin services, ticketing policies, and classes of service offered. Airlines differentiate themselves on these dimensions by offering more frequent flights, earlier or later departures, free beverages and business class.

But a commitment to customer service cannot stop at the provision of an attractive array of supplementary services. It must go on to the third dimension of customer service, namely the interpersonal aspects — the way the customer is treated. All interaction between any organisation

Figure I
The Domain of Customer Service



and its various publics involves interaction between staff and customer. This interaction may take place face to face, as in a retail setting, over the telephone, through the post, or in other situations. How the personnel of a company treats its customers in their interpersonal relationships will determine whether they come back. The positive adjectives used to describe employees who do a good job in this regard include friendly, helpful, cooperative, knowledgeable, personable, and polite. The companies who take customer service seriously do a good job of ensuring that their employees appreciate how important it is to ensure that the interaction is a positive one.

The hands-on control of management decreases as one moves from the core product or service to the interpersonal components. While products can be designed to standards and research can point out when most passengers want to fly from London to Lisbon, it is considerably more difficult to determine how well the company is doing at the interpersonal level of customer service and to identify what management can do to ensure that the interaction between customer and staff is a positive one. Management exercises less control over interpersonal components of customer service because of the inseparability of the service from the staff member providing it, the fact that service quality varies from day to day with the mood of the employee and across employees, and the difficulty of standardising how customers should be (or wish to be) treated.

The fact that management generally exercises less control over the quality of its customer service at this third level is why an internal marketing programme is so important to the success of the overall marketing effort of an organisation. It has been said that internal marketing has two primary focuses(MacStravic, 1986). In the first place, it complements the company's external marketing efforts by ensuring that personal interaction between the company and the people it serves is as conducive to attracting and satisfying customers as possible. Secondly, internal marketing is directed at producing and maintaining a motivated and satisfied group of employees, who will support the company's external marketing objectives and work toward ensuring quality, productivity and efficiency.

THE PRODUCT IS THE PEOPLE

Most service problems, especially in service industries, are people problems. The inseparability of service from staff, the heterogeneity and difficulty in standardising the service all mean that most marketers find it difficult to exercise control over how well customers are treated. The firms which are best at customer service — McDonald's, Xerox, Disney, Westin — have long ago realised the importance of people in ensuring that the service they offer is of the highest possible quality. These companies treat employee relations very seriously, knowing that good employee relations lead to good customer relations(Desatnick, 1987, pp. 10-1).

The perception of the service provided and the way they are treated is critical to the decision of customers to patronise a certain company: often more important than the physical product itself, if one is involved. Many major consumer products are bought, in fact, primarily because of the reputation of the brand for post-purchase service. And yet, perceptions of service are highly variable. What one consumer considers to be excellent service, another may feel is unacceptable. Different levels of service are appropriate in different contexts, and a consumer may accept one level of service from one firm, but expect to be treated quite differently by another or at a different time. The challenge to the marketer is to develop appropriate standards of service for each of the segments served by the firm.

QUALITY CONTROL

Quality has become an obsession for many firms in the competitive environment of the late 1980s. Yet, most of the attention with respect to quality has been devoted to measuring and improving the quality of tangible products(Garvin, 1988). The potential loss of management control over the quality of service as one gets closer to the point of contact with the customer requires that greater attention be paid to the issue of quality control in services. Only the best of service companies feel sufficiently confident in their ability to control quality that they are prepared to guarantee the service they offer. Far more effort is spent in manufacturing firms to ensure the quality of tangible products than is generally spent by service companies in an attempt to produce the highest level of customer service. Even in manufacturing companies, the investment in ensuring a quality product is generally much greater than that devoted to ensuring quality service on the part of those personnel who sell it, deliver it, or service it.

Many firms are coming to realise that they can have the highest quality product or the best conceptualised service available, but if the frontline personnel treat customers shabbily, they will not be around to buy a second time. The company that invests considerable amounts of money in product development research, product testing, advertising research and campaigns, runs the risk of throwing that money away if it does not also take seriously its interpersonal interaction with its publics, and its customers in particular. The companies that do the best job have made their human resources departments as part of the marketing team. They have realised that recruitment orientation and training of personnel are critical if the company is to present the best possible level of service to the public.

The way in which the customer is treated is very much a function of the attitude and personality of the employees with whom he or she comes in contact. In hiring staff, the employer must assess, therefore, whether the candidate will "fit" with the organisation, and whether he or she is likely to work well in the customer service environment. Some retail companies, such as McDonald's, attempt to standardise the service their customers will receive by setting precise standards on how customers are greeted, served, and thanked(Desatnick, 1987, pp. 44-7). More and more firms are realising the importance of training in their attempt to control as much as possible the quality of service delivered by their staff(Cochen, 1989).

HOW WELL ARE WE DOING?

Before a company can take steps to improve customer service, it must obtain feedback on how well it is currently doing. Often, such information is routinely collected within many companies, but is rarely used effectively. Take for example the retailer who requires that staff record the reasons why customers return merchandise for credit or refund. The majority of sales return forms bear the notation "did not want" or "not suitable"; hardly the type of information that management can use to improve its product or service offering. On the other hand, one electrical utility with which the author is familiar has established a "customer advisory council" which is broadly representative of the population served by the company and which meets quarterly to provide management with feedback on a company's performance.

Problems with customer service are often detected through a company's marketing research programme. Many companies routinely do tracking studies which regularly measure the company's position in the market as well as consumer perceptions of its service and other attributes. The results of such surveys often identify potential problems which should be further investigated. Other companies carry out a regular programme of customer surveys with a view to monitoring customer perceptions of the quality of service offered. In the United States, Domino's Pizza distributes a survey with each home-delivered pizza which asks customers whether the pizza was to their liking(Allen, 1988). Major entertainment centres, such as Disney World and Busch Gardens in Florida, airlines, hotel chains, and other service companies continually survey customers concerning their perceptions of the service provided.

MEASURING CUSTOMER SATISFACTION

The measurement of customer satisfaction is not new in business. What may be considered new is the emphasis on measuring satisfaction with services. Appliance manufacturers have, for many years, been inserting short reply cards in boxes with their appliances, and automobile dealers have sent questionnaires to new car buyers. Now, airlines distribute questionnaires in seat pockets and most hotels and restaurants have reply cards available for guests to record their views on how they were treated. The basic issue is what should customer satisfaction "surveys" measure if they are to provide management with meaningful, actionable information?

Performance on the core product or service is a necessary, but not sufficient, condition for customer satisfaction. A bank will want to know whether customers are satisfied with its checking and savings accounts, but if all banks offer essentially the same array of accounts, then satisfaction at this level is not enough to ensure that the customer will not switch. The company that is really interested in getting feedback on customer satisfaction will measure customers' opinions on supplementary services (special accounts for seniors, opening hours, frequency of departures for Lisbon) and on the even less tangible interpersonal aspects of service (Were we friendly enough? How did we treat you?). The hotels at Disney World ask their guests to rate staff on their provision of friendly and efficient services; whether room service was prompt and friendly, whether check-in was efficient, and whether restaurant orders were taken promptly. In its in-flight surveys, Air Canada asks passengers to rate the friendliness and appearance of ticket agents, the promptness of check-in services, and the attentiveness and friendliness of in-flight personnel.

Research to measure customer satisfaction cannot be left to the customer to volunteer information. It must be planned to reach a representative sample of all customers, as well as non-customers and former customers. This is why replies to cards in seat pockets and on restaurant tables should not be interpreted as an accurate reflection of customer satisfaction. Such "surveys" only reach people who *are* customers. The vast majority of customers do not make the effort to complete such volunteer surveys, and those who do are more likely to be particularly dissatisfied or (less likely) particularly satisfied. Such a reply-card approach to measuring customer satisfaction should be seen as the first step in a three-stage process of identifying just what customers feel about the product and service of the company.

The reply-card "research" should be accompanied by more formal research which involves the selection of random samples and the administration of much more detailed questionnaires. Both of these stages should be viewed as providing management with indicators of customer satisfaction. While they can allow management to conclude, for example, that a certain percentage of those who responded expressed some level of dissatisfaction with certain aspects of the service provided, it does not allow any conclusions to be drawn concerning why this percentage held this opinion. Companies which are serious about customer service will follow up such research with more in-depth studies, usually consisting of focus group or depth interviews to get at the reasons for the opinions expressed.

MEASURING SERVICE QUALITY

While businesses have been measuring customer satisfaction for many years, attempts to measure the quality of service in an objective way have been more recent. Because of the characteristics of services, any attempt to develop an objective measure of quality is fraught with difficulty. Variability in the delivery of services across individuals and over time makes it extremely difficult to standardise the service being provided. By the same token, variability in the expectations and standards of customers ensures that what one customer finds acceptable will be quite unacceptable to another. The very intangibility of what is offered makes it difficult to quantify the quality of the service.

Quality, like beauty, is, after all, largely in the eye of the beholder. One author has recently offered five different perspectives on defining quality(Garvin, 1988, pp. 40). The first of these he labels "transcendent", from the school of thought that suggests that quality cannot really be defined, but "you know it when you see it". The other four approaches to defining quality involve definitions which are developed from different perspectives: the product (measurable, the relative presence or absence of certain attributes); the user (idiosyncratic, the definition and comparison with ideal products and services); the manufacturer (supply oriented, conforming to technical specifications); and in terms of value (relating the quality received for the price paid — "Did I get value for money?").

Other authors, following a review of the limited literature on the measurement of service quality have concluded that three underlying themes exist(Parasuraman *et al.*, 1984): (1) service quality is more difficult for the consumer to evaluate than goods quality; (2) consumers' service quality perceptions result from a comparison of their expectations with actual service performance; and (3) quality evaluations are not made solely on the outcome of service; they also involve evaluations of the *process* of service delivery.

Because the perceptions and standards which consumers attach to the provision of service will vary across customers, research to measure the quality of service must address the process of customer service and the dimensions which customers consider important in their assessment of how well they are served. One group of authors(Parasuraman *et al.*, 1984, pp. 13-4) has developed a model containing ten dimensions of service quality. These same authors have extended their research to develop a scale to measure the quality of service(Parasuraman *et al.*, 1986). This is a general measure which may be applied to all service firms and includes dimensions which address the measurement of aspects of the interpersonal components of customer service, that over which management is likely to exercise less direct control.

This represents an important contribution toward the measurements of service quality. The use of such a scale to measure the quality of service being provided by a company may have to involve the adaptation of scale items to meet the needs of particular firms, which may be more or less involved in the marketing of services. Firms which place more emphasis on the quality of customer service would probably want to stress the interpersonal elements of service, while those who are increasingly delivering service through machines or asking customers to serve themselves (for example, through automated teller machines) would undoubtedly wish to examine the quality of this aspect of their customer service. In all cases, the quantitative measure of service quality which results should be further examined through qualitative research.

THE INTERNAL MARKETING MIX

If a company is to produce the highest possible level of customer service, it must be assured of the support of its employees. Getting the staff to "buy in" to the company's commitment to customer service is one of the most difficult tasks facing management in most firms. Some companies do it well, while others suffer greatly from negative interaction between staff and customers. Some employees who clearly have not embraced the concept of customer service give the impression that customers are an impediment and a nuisance. The task of an internal marketing programme must be to "sell" the staff on customer service. As with all marketing programmes, internal marketing will require a marketing mix.

Product

Internal marketing involves the marketing of an intangible. The target market is the staff of the company and the product is a concept, not unlike other intangible concepts which are regularly marketed, such as seat belt usage, smoking cessation, support for improved health care, or protection of the environment. The product in the internal marketing mix is a commitment on the part of staff to the idea of total customer service. The firm wants to inculcate in its employees a long-term view that if customers are treated properly, they will keep coming back. It involves encouraging the staff to internalise a set of values which incorporate greater concern and caring for the customer. It involves attention to detail and generally requires both attitude and behaviour change on the part of most employees. Each company will have its own emphasis on various components of customer service and some will try to formalise more than others. But the ultimate objective is to gain employee commitment to the concept .

Place

The place or distribution component of the internal marketing mix deals with how the concept of marketing consciousness and customer commitment is "delivered" to the staff. This element can have a series of components, some or all of which may represent elements in an internal marketing plan.

Formal/Informal: The communication of appropriate values and attitudes to staff may take on formal or informal dimensions. In an informal way, senior management may motivate staff by setting the right example, with the hope that staff will follow suit. This may be the most appropriate model in smaller firms, where the senior management will encourage staff to "treat customers the way I do". In larger firms, it may be appropriate to organise internal marketing campaigns under the responsibility of a committee, representing various levels in the organisation(Winter, 1985, p. 75). At National Life of Canada, a Canadian life insurance company, the President established the Productivity, Development and Quality Club (PDQ), which involves a variety of different incentives to encourage employee commitment to the concepts of customer service, efficiency and self-improvement. Staff are awarded with ten per cent of savings resulting from suggestions that they have made; there are opportunities to win prizes; an employee honour roll has been established; and regular staff social events are held.

Direct/Indirect: The internal marketing product may be delivered directly to employees through formal training programmes dealing with customer service, or indirectly through various approaches to improving employee morale: the implication being that employees who are treated well are more likely to treat customers well, as management would wish. Many companies spend a considerable amount of time and money training staff to treat customers properly(Cochen, 1989). Much of the same result may be achieved through sponsorship of employee sports teams, social clubs and family picnics.

Internal/External: The concept of marketing awareness and customer service may be delivered through internal or external channels. Training may take place in-house or through professional training centres. Messages may be communicated through videos distributed to each company office or branch, or through the mass media.

Price

The price associated with the internal marketing programme is a little more difficult to define. As is the case with the marketing of intangibles in general, it is helpful to think not in terms of monetary price, but rather to ask what it costs employees, the target market, to participate. These costs are usually non-monetary and involve time and commitment. There are certain monetary aspects to the cost of internal marketing programmes, but these are usually costs to management and rewards to staff.

Formal/Informal: Formal costs to staff may involve fees which they pay to enrol in external training programmes or educational courses. Such fees are usually reimbursed by the company. Informal costs include the commitment employees are asked to make. Formal monetary costs to management include rewards and incentives offered for suggestions and for improvements in customer service. Informal costs to management include the recognition which a manager shows an employee who has treated a customer well or who has been the subject of a positive letter from a customer.

Direct/Indirect: A direct component of cost from the employees' point of view would include participation in organised training programes. An indirec element might include the time and effort an employee might devote tc developing his or her own personal approach to dealing with customers .

Internal/External: There are also both internal and external aspects of the price component: internal involving programmes and communications which the company organises and delivers in-house on the employees' time. In othe situations, there is time and commitment required by the employee off the job to study and practise an improved method of dealing with customers.

Promotion

The promotional component of the internal marketing programme involves al aspects of communicating messages concerning the programme to the targe audience, employees. The objective is to help employees understand an internalise the objectives of the customer service programme(Winter, 1985, p 76).

Formal/Informal: The formal component of the promotion or communication element may involve newsletters which address customer service issue department meetings and training sessions, and orientation programmes fo new employees. Less formal approaches to communicating the message abou customer service will involve management personnel sitting with staff at lunch, sending encouraging notes to staff members who treat customers well, and generally reinforcing the message at every opportunity.

Direct/Indirect: In most internal marketing programmes, specific messages are communicated directly to employees through training and education programmes, newsletters, videos and other media. Less direct approaches also produce the desired effect of allowing employees to feel positively toward the company and their jobs. For example, Dofasco, a large Canadian steel company, has for many years been presenting a radio advertising campaign which extols the virtues of its employees. No steel company would attempt to sell steel through radio advertising, but each Dofasco radio commercial ends with the slogan, "Our product is steel, our strength is people". Such an indirect approach has the effect of increasing employee morale and their commitment to the organisation.

Internal/External: Most communications concerning the goal of improved customer service and the objective of increasing employee commitment to that goal will take place within the company through the channels already mentioned. However, there are some excellent examples of companies which use external advertising not only to reach customers but to make employees feel good at the same time. The Dofasco slogan is an example. Another is a current television advertising campaign of the Canadian Imperial Bank of Commerce (CIBC). Many service companies now realise that, when you cannot separate the service from the people, you should advertise the people. The national television advertising campaign for CIBC features employees of the bank, representing various regions of Canada. The result has been improved staff recognition and morale, which should translate into improved customer service.

THE FIFTH "P"

It is intuitively obvious that it is impossible to implement an effective marketing programme without giving particular attention to the target consumer. In fact, some authors have labelled "people" the "Fifth P" in the marketing mix. It is, of course, no different when one considers the development and implementation of an internal marketing programme. In this case, there are three groups who must be taken into consideration in planning the programme: the company's customers; its employees; and its management and support departments.

The customer is central to any marketing programme. The objective of the internal marketing programme is to ensure that employees share management's view that positive customer relations are of primary importance. Most companies have a diversity of customers, representing differing perspectives on the level and type of service required. The company which is committed to customer service must understand and appreciate the various segments of customers it serves, so that it can prepare the most effective programmes to help staff serve each segment in a way that will lead to improved satisfaction.

The employees of the firm represent the target market for the internal marketing programme. The development of an effective internal marketing programme requires an understanding of this target group in the same way that a marketing programme for the company's products and services requires an understanding of customers and prospective customers. The goal of the programme is to get employees to "buy in" and to share management's goal of commitment to customer service. This is accomplished through a variety of elements of the marketing programme, both formal and informal, direct and indirect, internal and external.

The ultimate responsibility for internal marketing must, of course, rest with the most senior management of the company. In companies that are truly committed to customer service, that commitment begins with the Chief Executive Officer and permeates the organisation. Much has been written on the role of the CEO in instilling in his or her "team" an unwavering commitment to the customer, on the role of CEO as cheerleader anc coach(Desatnick, 1987, p. 81), leading by example, and encouraging staff a every turn. Less has been written on the role of the firm's human resource department in supporting the CEO's commitment.

In truly customer-oriented companies there is an appreciation of the fact tha the most important marketing asset of the company is its employees Particularly in service companies, the employees *are* the company. If company is to serve its customers with the most customer-oriented employee possible, it must have a marketing-oriented human resources department, anc many of the responsibilities of that department, including recruitment anc training, should have a significant marketing input.

References

Albrecht, K. (1988), *At America's Service*, Dow Jones Irwin, Homewood, Illinois, p. 1.

Allen, M. (1988), "Strategic management of consumer services", *Long Range Planning*, Vol. 21 N 6, December, p. 23.

Bailey, E.L. (1989), "Getting closer to the customer", Research Bulletin No. 229, The Conferen Board, Inc., New York, p. 7.

Blume, E.L. (1988), "Customer service: giving companies the competitive edge",*Training a Development Journal*, September, p. 25.

Cochen, T. (1989), "Training for quality improvement",*Training and Development Journal*, Vol. No. 1, January 1989, pp. 56-62.

Desatnick, R.L. (1987), *Managing to Keep the Customer: How to Achieve and Maintain Superi Customer Service Throughout the Organization*, Jossey Bass Publishers, San Francisco.

Garvin, D.A. (1988), *Managing Quality: The Strategic and Competitive Edge*, The Free Press, Ne York.

Gronroos, C. (1983), *Strategic Management and Marketing in the Service Sector*, Marketing Scien Institute, Cambridge, Massachusetts, Report No. 83-104.

Gronroos, C. (1985), "Internal marketing and practice", in Bloch, T.M., Upah, G.D. and Zeithan V.A., (Eds.), *Services Marketing in a Changing Environment*, American Marketing Associatio Chicago, pp. 41-7.

Higgins, K.T. (1989), "Business marketers make customer service job for all", *Marketing News*, V 23 No. 23, p. 1.

Lovelock, C.H. (1989), "Competitive advantage lies in supplementary, not core, services *Marketing News*, Vol. 23 No. 3, pp. 47-54.

MacStravic, R.S. (1986), "Internal marketing for hospitals", *Health Marketing Quarterly*, Vol. 3 N 2-3, Winter-Spring 85-86, pp. 47-54.

Parasuraman, A., Zeithaml,V.A. and Berry, L.L. (1984), *A Conceptual Model of Service Quality and Implications for Future Research*, Marketing Science Institute, Cambridge, Massachusetts, Report N 84-106.

Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1986), *Servqual: A Multiple-Item Scale Measuring Customer Perceptions of Service Quality*, Marketing Science Institute, Cambrid Massachusetts, Report No. 86-108.

Peters, T. (1988), "New products, new markets, new competition, new thinking", *The Econom* March, p. 20.

Sommers, M.S., Barnes, J.B., Stanton, W.J. and Futrell, C. (1989), *Fundamentals of Marketing*, Fi Canadian edition, McGraw-Hill Ryerson Limited, Toronto, pp. 219-21.

The Economist, "When the product is service", 7 January, 1989, p. 60.

Winter, J.P. (1985), "Getting your house in order with internal marketing: A marketi prerequisite", *Health Marketing Quarterly*, Vol. 3 No. 1.